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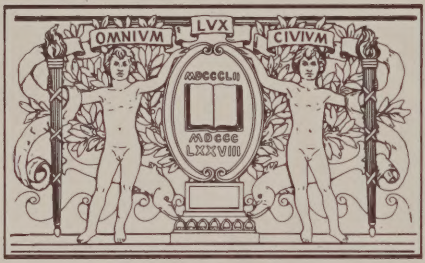
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Management Audit
# of the
Department of Youth Services

Joint Committee on Post Audit and Oversight

Post Audit and Oversight Bureau

April 1981

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Management Audit of the Department of Youth Services

Joint Committee on Post Audit and Oversight

Post Audit and Oversight Bureau

April, 1974

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William H. Finnegan, Director.

FOREWORD

The Legislative Post Audit and Oversight Bureau was established by Chapter 1008 of the Acts of 1971, as amended by Chapter 247 of the Acts of 1972. Its purpose is to conduct, under the direction of the Joint Legislative Committee on Post Audit and Oversight of the Massachusetts General Court, a legislative auditing program with special emphasis on performance auditing. For the purpose of the work of the Bureau, the term "performance auditing" is defined as an auditing program conducted for the particular purpose of making an appraisal or evaluation of the efficiency of operations, the effectiveness of programs, and the faithfulness of administrative compliance with the intent of the legislation and administrative regulations affecting a specific agency of the Commonwealth.

Senator Francis X. McCann serves as the Senate Chairman of the Joint Committee on Post Audit and Oversight by appointment of the President of the Senate, while the Speaker of the House of Representatives has designated Representative Gerald P. Lombard as the House Chairman thereof.

The Joint Committee on Post Audit and Oversight directed the Bureau to conduct this study because of numerous reports of fiscal and administrative problems besetting the Department of Youth Services. The abrupt transition, without proper planning, from an institution-oriented program for the treatment and rehabilitation of juvenile offenders to one involving the purchase of services from private agencies caused a series of repercussions.

Complaints, concerning the manner in which the Department was operating, were received from the Judiciary, Police Departments, departmental employees, and private agency vendors, as well as from staunch supporters of the non-institutional approach to the rehabilitation of juvenile offenders. Such complaints included a lack of placement facilities, violations of personnel rules and regulations, excessive number of runaways and deaths, a "revolving door" parole system, and the threatened closing of placement facilities by private agencies because of the failure of the Department to meet its financial obligations.

In requesting our office to conduct this audit, the Joint Committee was motivated by a desire to assist the Department in achieving a high level of management excellence. We render our report in the same spirit.

Many of the problems identified in this report are still existent and require solution. The present management has begun to deal with some of them to a limited degree and we trust that this effort will continue. In addition to dwelling on the deficiencies and their ramifications, we have included legislative and administrative recommendations by which the management of this system might be improved.

The reader who desires to obtain a quick overview of the major findings of this management audit should turn to the summary which immediately follows this foreword.

We wish to acknowledge our appreciate to the members of the Joint Committee on Post Audit and Oversight for their assistance in the development of this report. We are grateful for material provided by members of the House of Representatives who served on a special House Committee to study certain facets of the Department of Youth Services, which was chaired by the late Representative Robert J. McGinn, and we express our thanks for the cooperation and assistance extended to our staff by the personnel of agencies contacted during the conduct of this audit.

WILLIAM H. FINNEGAN
April 23, 1974 Director

SUMMARY OF FINDINGS

The establishment of the Department of Youth Services, in 1969, was intended to be an extensive step forward in the treatment of juvenile offenders. It presaged an era of expectation and hope that new methods of supervision and rehabilitation would be discovered resulting in the delivery of greater quality of service to youths at less cost to the Commonwealth. This enactment envisioned the development of modernized procedures of placement and mandated the development of alternatives to institutionalization for subsequent implementation. It envisioned a well planned, well monitored, and legislatively sanctioned approach to progressive forms of treatment. Unfortunately, this did not materialize. The administration of the new Department has been marked by disregard of statutory provisions and administrative procedures, amounting at times to misfeasance and nonfeasance, as well as inefficiency, mismanagement and waste.

Acts in violation or disregard of statute have occurred in several areas within the Department's responsibility. During the post 1969 period, at least four appointees to executive positions failed in many respects to possess statutorily mandated qualifications.

Explicit language in appropriation measures was regularly ignored which resulted in the use of accounts interchangeably as well as expenditures for purposes neither contemplated nor approved by the Legislature. Two examples of this are worthy of note. The first was the establishment of a forestry camp at Middlefield with funds clearly appropriated for other purposes. The second was the change of the so-called Board and Allowance Account from its original intent, which was to provide for emergency situations, into an uncontrolled advance account from which over $187,000 was expended during Fiscal Year 1973. This compares to expenditures of $25,000 in Fiscal Year 1972, $5,000 in Fiscal Year 1971, and $2,000 in Fiscal Year 1970. Many of these payments were made to youths who were already in residential programs for which the Department was paying large sums of money, and at least twenty youths received checks from this account in excess of $1500 each in a period of one year. This account was also used to pay vendors both directly, and indirectly through a subterfuge whereby checks were given to the youths who, in turn, endorsed the checks over to vendors. Both types of payment are in violation of the Comptroller's regulations relative to the use of advance funds.

The personnel policies of the Department have been, for the last four years, in violation of the law, and this with the knowledge of the Director of Personnel and the Commissioner of Administration. There have been no civil service examinations held during this time and most employees have been working outside their job classifications. In addition, a hierarchy of consultants, compensated with federal funds, was hired to direct the fiscal and administrative affairs of the Department and to supervise regular state employees. This practice is now expressly prohibited by statute as the result of legislation filed by the Post Audit and Oversight Committee. Well over a half-million dollars was expended for these consultants.

In the fiscal area, the Department's problems have been legion. During the period Fiscal Year 1969 through Fiscal Year 1973, the departmental budget has increased some 111 percent from approximately $8,000,000 to over $16,000,000. One of the major reasons for this increase was a hasty, ill-planned transition to a purchase of service system from private agencies without having established any mechanism to monitor and evaluate placements and expenditures. During most of the period when the departmental institutions were closed and private agencies came into vogue, the fiscal and administrative management of the Department was controlled and operated by the aforementioned consultants with little or no experience in public administration.

A further illustration of the fiscal mismanagement of the Department is the fact that a substantial deficit exists for Fiscal Year 1973. The Department admits to a deficiency of $680,000 and has requested this amount from the Legislature. The State Auditor contends that a more realistic figure is in excess of $800,000. Furthermore, additional federal funds approximating $1,800,000, which had been designated for other state agencies, were diverted to the Department and another $200,000 was charged to the Department of Public Welfare for the costs for 160 youths during the months of May and June, 1973. Consequently, the true deficiency for this year amounts to approximately $3,000,000.

One of the most telling points developed is that a sum in excess of $5,000,000 was expended for projects and programs of questionable value for which no measure of effectiveness is available. This figure includes over $2,000,000 spent at the Northeast Training Center in Topsfield, a building purchased by the Department and never used. It also includes substantial amounts of Federal funds spent for unproductive planning and management groups, and for consultant studies, the recommendations of which were largely ignored. Wasteful expenditures were also made for unsubstantiated overhead costs and for capital improvements for programs in violation of federal grant conditions.

Examples of the foregoing, where funds have been expended by DYS with no measure of effectiveness, are:

1. Sixteen of the fifty largest vendors from whom the Department purchased services during the period 7-1-71 to 6-30-73 are no longer in existence or no longer utilized. These sixteen vendors received in excess of $1,300,000.00

2. Purchase of the Maryknoll Novitiate in Topsfield to be used as the Northeast Training Center which was intended to replace Bridgewater -

Purchase	$1,285,000.00
Repairs	186,000.00
Regional staff training	300,000.00
LEAA funding for training	183,120.00
	$1,954,120.00

3. Construction, John Augustus Hall, Oakdale 1,091,000.00

4. Planning Capability Unit (LEAA) 298,098.88

5. Office of Administration & Fiscal Management (LEAA) 220,475.00

6. Visuality, Inc. 73,661.00

7. Psychonomics, Inc. 62,500.00

8.	Peat, Marwick, Mitchell & Co. study	31,000.00
9.	Boston Mental Health Foundation (Andros)	36,738.65
10.	Community Aftercare Program (CAP). Loss on business operations financed through program funds -	47,873.87
11.	Stephen L. French Forestry Camp - design costs for a rejected plan	24,222.00
	Total	$5,139,689.40

A marked increase in the number of deaths and runaways was also revealed. During the years 1966 to 1969, eight youths under the care and supervision of Youth Services died, two of which were attributable to natural causes. Since the reorganization of the Department, thirty-seven youths have died, with two from natural causes. Information concerning these deaths was not available at the Department and had to be obtained from various police departments in cities and towns where the deaths occurred. The number of runaways has increased over 300 percent in the past four years from 449 in 1969 to 1600 in 1973. These significant increases indicate a lack of control and supervision on the part of the Department, as well as the private agencies with whom it has agreements for the purchase of services, over youths under its jurisdiction.

The tragic aftermath of this lack of control and supervision is that additional crimes have been committed, youths have died, and private citizens have been killed and injured.

During the course of this study, the staff of the Post Audit and Oversight Bureau, through the use of a questionnaire, sought out the opinion of those closest to the juvenile justice system, the Juvenile and District Court Justices. The responses to the questionnaire reveal that while most agree with the concept of deinstitutionalization, the majority felt that the present method of care and treatment of juvenile offenders must undergo some modifications.

One of the areas in which most criticism was voiced was the lack of adequate placements for that percentage of the juvenile offender population for which a secure setting is required.

Many justices also complained of a lack of cooperation on the part of the Department in their relationship with the court. Several judges found fault with what was described by one as a "revolving door parole system" which put youth back on the streets a very short time after their commitment to the Department.

Another recurring area of criticism centered on the lack of expertise or experience in the field of treatment of delinquent youth on the part of many of those staffing purchase of service placements.

This lack of trust in the Department on the part of the Judiciary has led to a significant increase in the number of juveniles being bound over to be tried as adults. According to the Commissioner of Probation, it is estimated that approximately 35 youths were so bound over in each of the years 1970 and 1971, while in 1972 and 1973, the actual numbers were 135 and 128, respectively.

Thus, while the vast majority of judges would not be in favor of reverting to a totally institutionalized approach, most have some misgivings about the present method of delivery of services and are desirous of a marked increase in planning, supervision, and development of qualified placement alternatives.

RECOMMENDATIONS

The Legislative Committee on Post Audit recommends the adoption of legislation which would:

1. provide a criminal penalty for violations by state officials of the finance laws of the Commonwealth. (See Appendix A)

2. require that federal funds be expended only after appropriation by the General Court so far as this is consistent with federal requirements. (See Appendix B)

3. require the promulgation by the Commissioner of Youth Services of rules and regulations relative to purchase of service agreements with private agencies. (See Appendix C)

4. require notification, in writing, by the Department of Youth Services to the appropriate Court relative to the disposition of committed youths and the reasons therefor. (See Appendix D)

5. require inspections by the Department of Youth Services not less than once each year, of the facilities and programs of private agencies utilized by the Department. (See Appendix E)

6. require a report, in writing, of the parole unit prior to the release of any committed youth and notification to the appropriate Court of such release. (See Appendix F)

7. require immediate notification by private agencies to the Department of Youth Services of any escape and immediate notice by the Department to the proper law enforcement agencies in the case of committed youths and to the appropriate Court in the case of referred youths. (See Appendix G).

8. require the Commissioner of Youth Services to file a more comprehensive annual report including details of agreements with private agencies for the purchase of services and other pertinent elements related thereto. (See Appendix H)

In addition to the foregoing, the Committee has submitted recommendations concerning expenditures by the Department for residential care programs to the House Ways and Means Committee. These recommendations were adopted and included in the General Appropriation Bill for Fiscal Year 1975.

The Committee also submits the following administrative recommendations relative to the program and fiscal areas of the Department.

PROGRAM AREA

In this area, the Committee recommends that DYS should:

1. expand maximum security setting availabilities to provide for 225 - 250 youths in accordance with agreed upon figure of approximately ten percent of referrals and commitments requiring this type of care.

   These should include intensive care units with varying treatment modalities and should be operated by the Department itself or in conjunction with other appropriate state agencies in order to insure departmental control and supervision over the youths placed therein.

2. promulgate definitive guidelines relative to the purchase of services from private agencies for all phases of its community-based treatment programs. Contracts or agreements should detail specifically the responsibilities of the parties to the end that proper monitoring and evaluation may be made.

3. expand its evaluation program.

4. require strict monitoring of community-based treatment programs with current reporting.

5. implement standardized procedures for reporting of escapes from its facilities or from private placements, including the juvenile's home, if he has been paroled there.

6. undertake an evaluation of all community-based residential programs to insure that the health, safety, and education of all referred or committed youths are adequately provided for.
7. file a current organizational chart with the Executive Office for Administration and Finance so that the Bureau of Personnel may properly classify positions and civil service laws and regulations may be complied with.
8. in conjunction with the Office for Children and the Department of Mental Health, and under the aegis of the Secretary of Human Services, establish a referral mechanism for those youth found to be retarded or dangerous to themselves and others.
9. examine, study, and investigate, as directed by law, all pertinent circumstances of the life and behavioral pattern of all youths committed or referred to it.
10. develop plans to expand the forestry camp program for presentation to the Legislature.

FISCAL AREA

In this area, the Committee recommends that DYS should:

1. establish a centralized internal audit function to monitor and control expenditures and should establish standardized financial reporting procedures for all purchase of service vendors.

2. follow the recommendations of two independent studies and centralize all bookkeeping and personnel functions.

3. immediately desist using the so-called Board and Allowance Account and request legislative approval of a special fund, if its need can be substantiated, with a maximum appropriation of $15,000 per year in order to meet crisis situations of individual youths.

4. immediately request that the Rate Setting Commission review all rates for residential care still in existence as the result of being promulgated under the emergency provision of M.G.L.A., Chapter 30A, Section 2.

5. immediately undertake an inventory of all equipment at its institutional facilities. (The Department is required by law to do this and to include such inventory in an annual report to the Governor and the General Court.) All such equipment found to be in excess of or unnecessary for the present operation of DYS should be transferred to the State Purchasing Agent for proper disposal or distribution.

6. seek the assistance of the Office of Data Processing and Telecommunications in the Executive Office for Administration and Finance in establishing an automated client tracking system utilizing existing state data processing equipment.

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INTRODUCTION

RATIONALE FOR STUDY

In any society, an organized group of individuals living and working together, there will always be disputes or controversies over interferences with another's property or person. As a general rule these are settled by the individuals involved. When such settlement is impossible, the parties involved will resort to some type of force unless society provides a legal alternative, compels its use, and punishes those who violate the law to achieve their objectives and resolve their differences.

In any social group there will always be individuals who act so aggressively or cruelly towards others as to cause death, personal injury, or property damage which results in an infringement upon the liberties of other members of that society.

As such, if this anti-social, criminal behavior is not discouraged, prevented or corrected through public disapproval or corrective programs it will lead to wholesale terrorism, violence, and anarchy.

In the Commonwealth of Massachusetts, the Department of Youth Services is charged with the prevention and correction of anti-social behavior or criminal activities perpetrated by its youth.

Prior to July 1, 1970, the exact function of this agency, according to Governor Francis W. Sargent, was "to develop plans and procedures to reduce, control and prevent delinquency and crime among youth by assisting, strengthening and coordinating educational, welfare, health and recreational programs; to train and treat in various institutions the children and youth committed to its control; to administer the institutions maintained by the Commonwealth to receive, detain, guide and treat the juvenile offenders against the law, in order to restore them to society."[1]

The General Court recognized, however, that the programs administered by the former Division of Youth Service, under this mandate, had failed to accomplish the desired result, and enacted legislation which completely reorganized the Division of Youth Services and gave it departmental status.[2] Governor Sargent selected Dr. Jerome Miller as the Commissioner of the new department and defined the agency's function as follows: "to provide a comprehensive program of delinquency prevention, rehabilitation and other services to delinquent children and youth, community services for the prevention of juvenile delinquency; and facilities for study, diagnosis, care, treatment, training and rehabilitation; research into cause, treatment and prevention of juvenile delinquency."[3]

---

[1] Budget Recommendations of His Excellency Francis W. Sargent, Governor, to the General Court of the Commonwealth of Massachusetts for Fiscal Year 1970 (House No. 1).

[2] Acts 1969, Chapter 838.

Favorable public sentiment, combined with high level support, provided the new Commissioner with the ingredients necessary to achieve the desired social reform.

The closing of the departmental institutions and the transfer of youths from these institutions to private agencies for treatment and rehabilitation on a "purchase-of-service" basis was the central and overriding theme of Commissioner Miller's administration. Until late 1972, he received generally favorable public support for his policies which he carried out on a broad basis without Legislative approval.

Disillusionment in the manner in which the Department of Youth Services was being administered by the new Commissioner was first evidenced in late 1972, as reports of fiscal and administrative problems came to the attention of the public and state officials. These problems reached a climax in the spring of 1973, several months after Commissioner Miller's departure from state service and from the Commonwealth, with the threatened bankruptcy of the cornerstone of his delinquency reform -- the private agencies he entrusted with the custody and care of the Department's children under contracts

[3] Budget Recommendations of His Excellency Francis W. Sargent, Governor, to the General Court of the Commonwealth of Massachusetts for Fiscal Year 1973 (House No. 1).

for the purchase-of services.

The plight of these private agencies was spelled out in an exchange of correspondence between two early supporters of non-institutional care and treatment of most youthful offenders, Governor Francis W. Sargent and Speaker of the House David M. Bartley.

On April 25, 1973, the Speaker warned the Governor of an impending breakdown within the Department of Youth Services and the resulting possibility of a return to "an antiquated institutional reform school system."[4] Two days later, the Governor replied, stating he was aware of the deficiencies in the agency and was seeking a solution.[5] The solution has not been found.

In the period which followed, more information began to surface as to the extent of the financial and administrative difficulties which faced the Department.

It was at this time that the Joint Committee on Post Audit and Oversight authorized the Legislative Post Audit and Oversight Bureau to undertake a study of the Department.

[4] See Exhibit A

[5] See Exhibit B

SCOPE

Initially it was intended that this study would be a comparative effort to determine the success of de-institutionalization from a monetary, as well as humanistic viewpoint.

After the chaotic condition of the Department became apparent, it was necessary to alter the initial goal to some extent. The focus shifted to a management audit in order to determine what went wrong in the implementation of de-institutionalization and what corrective measures could be undertaken to bring order out of chaos. To some extent, wherever possible, a comparative analysis of pre and post institutional closing was incorporated in the body of this report. This report primarily concerns itself with departmental operations from the effective date of the reorganization of the Department of Youth Services, October 28, 1969, through June 30, 1973. Subsequent activities were examined, however, to the extent that they related to events occurring during the above-stated period of time.

METHODOLOGY

A review of the reorganization statute, and other statutes relating to the operation of the Department of Youth services, was undertaken to determine compliance with legislative intent.

An analysis was made of appointees to supervisory positions, as well as the overall personnel practices of the agency.

The methods and procedures employed in implementing the duties and responsibilities defined in the law were examined, as well as those which effected the closing of departmental institutions and the use of purchase of services from private agencies to replace those services previously performed by employees of the Department of Youth Services.

Finally, a review was made of departmental expenditures including funds spent in furtherance of an administratively created mechanism called a "Board and Allowance Account."

HISTORY AND BACKGROUND

LEGISLATIVE HISTORY

INSTITUTIONAL HISTORY

HISTORY AND BACKGROUND

LEGISLATIVE HISTORY

For the purposes of this study, the year 1948 was considered as the turning point in the Commonwealth's struggle to curb juvenile delinquency. Prior to that time, the control, treatment, or custody of delinquent youth was the responsibility of the Division of Juvenile Training in the Department of Public Welfare and under the direction of an independent Board of Trustees.

Numerous complaints and criticism from this operation resulted in the establishment, in 1946, of a special legislative commission whose assignment was to make a study relative to the prevention of child delinquency, the rehabilitation of delinquent children, and the advisability of establishing institutions for the treatment of such children.[1]

This commission filed two reports, one in February, 1947 [2] and another in January, 1948.[3] The findings and recommendations in these reports led to the enactment, in 1948, of legislation which created the Youth Service Board as an agency serving under the Governor and Council, and designated it to serve as "the correctional agency of the Commonwealth in handling all wayward and delinquent children and habitual truants, habitual absentees, and habitual school offenders committed to the Commonwealth."[4]

---

[1] Report of Special Legislative Commission on Child Delinquency (Senate No. 485, February 17, 1947.)

[2] Ibid.

[3] Report of Special Legislative Commission on Child Delinquency (Senate No. 470, January 20, 1948).

Subsequent legislative enactments vested the powers and duties of the Youth Service Board in a new Division of Youth Service within, but not subject to, the Department of Education, at the same time preserving the three-member Youth Service Board,[5] and defining the role of the Board in relation to community-based programs.[6] In addition, the responsibility to recommend to the Governor the names of candidates for appointment to the Youth Service Board was removed from the Youth Service Advisory Committee and the power of appointment was vested solely in the Governor.[7]

Since 1948, numerous groups have investigated and commented on most facets of the Division of Youth Services. The sum and substance of these reports proclaimed that the Division of Youth Services was not educating, training or rehabilitating those committed to its care. They contend that the Division's institutions, due to their size and overcrowded conditions, were unable to provide the individualized attention considered necessary for the successful reintegration of a youth into the community. In brief, the causes of

[4] Acts 1948, Chapter 310

[5] Acts 1952, Chapter 605

[6] Acts 1955, Chapter 766

[7] Ibid

delinquency and the failure to rehabilitate which existed in 1948 remained twenty-one years later in 1969, the only significant difference being an increase in 1969 in the number of juvenile commitments.

Faced with these facts and the realization that a new approach was necessary in the attempt to control delinquency and in the treatment of juvenile offenders, the General Court, in 1969, enacted legislation which abolished the Division of Youth Services and the Youth Service Board and established the Department of Youth Services under the control of a commissioner. The new Department was given what has been often described as a "mandate" to provide a comprehensive and coordinated program of delinquency prevention and services to delinquent children either committed or referred to the Department.

This legislation, and its accompanying mandate, became effective on October 28, 1969, with the qualification of Dr. Jerome Miller of Ohio as Commissioner of the Department of Youth Services.

INSTITUTIONAL HISTORY

Lyman School For Boys, Westboro

In 1847, the Massachusetts Legislature, seeking improvements in the treatment and supervision of delinquent youths, solicited the assistance of Theodore Lyman, a noted humanitarian of that period, who agreed to match any funds the state might appropriate for the treatment of juvenile delinquents. As a result, the first reform school in the nation was established in Westboro, on 256 acres of land. In appreciation of his support, the institution was named the Lyman School for Boys in 1884.

This open-campus style institution consisted of thirty-two buildings, including eight cottages, and was intended to keep juvenile offenders out of adult correctional institutions. Although designed to accommodate only two hundred youths, it housed as many as four hundred at one time.

On January 16, 1972, this institution was closed as a juvenile center and residents were either transferred or paroled. For a short period of time thereafter, Hillside Cottage on the campus continued to be operated as a detention center for girls. This was necessitated by the fact that a fire had damaged part of the girls' detention center in Boston and the quartering of these girls at the boys' detention center in Roslindale proved unmanageable. The Lyman School was vacated on March 4, 1972.

As of the date of this report, several of the buildings were being used by the Department of Public Welfare and the Department of Natural Resources while several local communities were allowed the use of the gymnasium and swimming pool in the physical education building. While this institution is not being utilized by the Department of Youth Services, this agency is still responsible for its overall maintenance. The Department receives no compensation for the use of its facilities.

Industrial School For Girls, Lancaster

In 1854, the Commonwealth established the Industrial School for Girls at Lancaster. This fifteen building complex, including five cottages, was established exclusively for delinquent girls between the ages of seven and seventeen and, although designed to accommodate one hundred twenty-five female juveniles, it often housed as many as three hundred.

The purpose of this institution, like its counterpart Lyman School, was to segregate juvenile offenders from the influence of adult criminals confined in correctional institutions and jails.

A 1967 Legislative Committee found one hundred twenty-eight girls present at the institution; fifty of whom were participating in an academic program for a full day and thirty-seven for a half day. Vocational courses were also being offered in home economics, cosmetology, and industrial sewing.

The Department of Youth Services has asserted, that since May, 1972, this institution has been closed. That such is not the case will be developed subsequently in this report.

Industrial School for Boys, Shirley

Recognizing a need to separate juvenile offenders by age category, the Legislature authorized the establishment of the Industrial School for Boys at Shirley, in 1908. Located on an 850 acre site in Lancaster and Shirley, this institution was intended to be a training school for boys over fifteen years of age, the great majority of whom had more than one court appearance on their record.

The physical plant consisted of forty-six buildings, some of which predated the mid-nineteenth century. The boys were housed in eight cottages, each having as many as thirty beds. The capacity of the institution was estimated to be 225, but the population often numbered over 250 boys.

The rehabilitative programs were primarily vocationally oriented with as many as 95% of the boys participating. Academic programs were a mixture of remedial education and humanities.

The entire facility was closed on January 3, 1972, all boys being transferred or paroled.

Institute for Juvenile Guidance, Bridgewater

Lyman School for Boys and the Industrial Schools for Girls and Boys, in addition to four county training schools, administered all correctional and rehabilitative programs for juveniles until 1954, when the Institute for Juvenile Guidance at Bridgewater was established. Located in what was formerly a Massachusetts correctional institution for women, the stated purpose of this facility was to provide a maximum security setting for those youths who either had committed serious offenses or could not adjust to an open campus institution.

In 1969, the General Court authorized funds for the purchase of the former Maryknoll novitiate property in Topsfield to be converted to replace the Institute for Juvenile Guidance at Bridgewater. This property was purchased in November, 1969. In September, 1970, less than one year after Commissioner Miller assumed control of the Department of Youth Services, and, despite the fact that the Topsfield facility was never used by the Department as a replacement for the Institute for Juvenile Guidance, the only maximum security institution for serious juvenile offenders was closed.

John Augustus Hall School, Oakdale

The John Augustus Hall School, formerly the Worcester County Training School, located on thirty-eight acres of land in Oakdale, was acquired by the Commonwealth as a residential treatment center in 1955. The stated purpose of this school was the separation of the youngest committed youths from older offenders, those at Oakdale being between seven and twelve years old. The physical plant presently consists of three buildings, the oldest being fourteen years, and the others being only four years old. In Fiscal Year 1968, the Department of Youth Services expended $1,091,000 for the construction of new classroom and auditorium buildings at Oakdale.

According to the report of a special Senate committee,[1] it was estimated that, out of an average daily population of seventy, twenty-five percent were either mentally retarded or emotionally disturbed. The school's staff was found to be qualitatively inadequate and ill equipped to provide care and treatment for boys with problems of this nature.

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[1] Special Committee of the Senate to Make an Investigation and Study of the Division of Youth Services, Senate No. 1310, June 13, 1967

In January of 1972, the John Augustus Hall School was closed as a residential treatment institution and reopened as a reception center with a projected average population of thirty-five detainees. This program never fully developed due to an inordinate number of escapes, followed by mounting community opposition to the program.

The program was finally abandoned and, with the advent of regionalization, the John Augustus Hall School became the financial operations center for the Community-Based Treatment Unit. This function was subsequently transferred to the Industrial School for Girls at Lancaster and the Oakdale facility totally closed.

Northeast Training Center, Topsfield

As stated previously, the General Court, in 1969, authorized funds for the purchase of the former Maryknoll Novitiate property in Topsfield which was to be converted and used as a replacement for the Institute for Juvenile Guidance at Bridgewater. The Department of Youth Services purchased this property in November, 1969, at a cost of $1,285,500 and, subsequently, expended an additional $186,000 for repairs necessary to conform to local public health and safety standards.

Despite the expenditure of over $1,470,000, the Department has never used this property as a replacement for the institution at Bridgewater, nor, as a matter of fact, for any of its programs.

The main building on the property is presently being used without charge by Massachusetts Transition, Inc., a private agency conducting a self-help drug program, while other space has been provided for the Tri-town Council on Youth and Family Services operating in the Topsfield area. The cottage building is occupied by the Office for Children of the Commonwealth of Massachusetts through an agreement with the Secretary of Human Services. Nevertheless, the facility remains the property of the Department of Youth Services which expends approximately $50,000 per year for security and maintenance.

Reception-Detention Center for Girls, Boston

The Reception-Detention Facility for Girls located at 105 South Huntington Avenue in Boston was purchased by the Department in 1949 at a cost of $120,000. The single building, located on 2.5 acres of land, served as a reception detention facility for boys until 1956 when the John J.

Connelly Youth Center in Roslindale was opened. At this time it was converted to a reception-detention facility for girls. Although its capacity is thirty, this facility has housed as many as sixty girls at a given time.

The building was damaged by fire in July of 1971. Since that time the Department has allowed D.A.R.E. Inc., a private agency, to use the building on an emergency basis, and is presently allowing it to be used by the New England Home for Little Wanderers.

Judge John J. Connelly Youth Center, Boston

In January, 1956, this facility, named in honor of the late Justice of the Boston Juvenile Court, was opened at Roslindale. It was intended that this structure would house 125 male juveniles in a reception or detention status. The facility has exceeded its capacity frequently since inception and, at times, housed over 200 youths.

The average daily population in the reception and detention sections is currently between 70 and 100 youths.

The Department has contracted with a series of private agencies to provide treatment and therapy in a residential therapeutic community setting for socially maladjusted children and, for this purpose, has allowed these private agencies the use of various sections of this facility. The terms and provisions of these contracts will be discussed later in this report.

There were seventy-five employees authorized for this facility in Fiscal 1973. During the same period, a total of $815,438 of state funds was spent directly on its operation and maintenance, although only $796,590 was appropriated. Additional charges paid to the most recent private agency using the facility brought the total operating cost to the Department For fiscal 1973, to more than $1,000,000.

Worcester County Detention Center, Worcester

The Worcester County Detention Center, located on the grounds of the University of Massachusetts Medical School in Worcester, was opened in 1959. This small, co-ed facility was designed to house no more than twenty-five residents. In 1972, however, the average population was approximately forty. It is obvious that this facility was ill designed for the purpose proposed. The building contains no educational area and only one small room for recreational purposes. The kitchen facilities are not adequate to meet the needs of the residents and, as a result, all meals are prepared by and purchased from Worcester State Hospital. It does, however, provide the Department with a fairly secure institution in the Worcester area although escapes are not unknown.

The detention center was budgeted for $300,760 for Fiscal 1973 and had an authorized staff of thirty employees.

Hampden County Detention Center, Westfield

The Hampden County Detention Center, located in Westfield, duplicates the poor design problems that are present at Worcester. Designed for twenty-five residents, the average population is over thirty. This facility was the subject of extreme criticism by a legislative committee in 1972.[2] The Department has since expended funds in order to return the facility to a livable condition.

The facility was budgeted for $256,535 for Fiscal 1973, and had an authorized staff of twenty-six employees

Stephen L. French Forestry Camp, East Brewster

The Stephen L. French Forestry Camp, was opened in October of 1960 in the 1,777-acre Nickerson State Park in East Brewster.

Originally, the camp program was for sixteen year olds and up and consisted of a therapeutic work situation wherein, during the course of a six-to-nine-month stay, the youths provided a readily available labor pool to supplement the Department of Natural Resources' staff. Housed in a

[2] Report of Special House Committee to Study the Hampden County Detention Center, June 28, 1972.

converted hunting lodge, the twenty or so residents assisted in numerous necessary maintenance functions in the state park.

The present program at the forestry camp evolved from the documented success of the Outward Bound School program begun in England during World War II.

Massachusetts began experimenting with the concept of physical challenge as an answer to delinquency in 1964, after the first of many youths participated in a Colorado Outward Bound program.

Further success with programs in Minnesota and Maine led to the funding of a study which showed that a program which physically challenged delinquent youths could result in a marked decrease in recidivism.

The full Homeward Bound program began at the Forestry Camp in October, 1970. A rugged, two-phased, six-week program, when completed, results in home parole for the participant. The program relies heavily on group interaction, peer pressure, and sharing to accomplish its objectives, the ultimate goal being for each youth to examine his past and analyze his future. Statistics tend to support the success of this program.

This facility operated on a budget of $211,340 for Fiscal 1973, and had an authorized staff of fifteen employees.

DEPARTMENT OF YOUTH SERVICES

ORGANIZATIONAL STRUCTURE

APPOINTMENTS AND QUALIFICATIONS OF D.Y.S. OFFICIALS

MANDATED DUTIES

THE DEPARTMENT OF YOUTH SERVICES

The General Court, in 1969, enacted legislation which completely reorganized the administrative structure of the existing Division of Youth Services within the Department of Education.[1] The new law abolished the Division and, in its stead, established the Department of Youth Services (hereinafter referred to as DYS or the Department) defined its organizational structure, and outlined its responsibilities and duties.

Both the basic organizational structure and the duties of the department and its officers were established in the law, as well as the qualifications required for certain administrative positions. None of the foregoing could be amended or changed, therefore, without further legislation. Anticipating that there might have to be changes at a later period, the 1969 statute spelled out the procedure to be followed if DYS found the initial requirements too restrictive.

In addition, the new law established interim restrictions. It authorized DYS to set up regional offices but stipulated that they could be established only after the Legislature approved funds specifically for that purpose. Further, it provided for a purchase-of-service program involving private, non-profit agencies to the degree that the Legislature provided financial authorization.

[1] Acts 1969, Chapter 838.

Organizational Structure

The statute decreed that the new DYS should be under the supervision and control of a Commissioner, appointed by the Governor with the advice and consent of the Executive Council for a term coterminous with that of the Governor. It also established the position of Deputy Commissioner and provided for the creation of four bureaus, each to be headed by an Assistant Commissioner: Bureau of Clinical Services, Bureau of After-Care, Delinquency Prevention and Community Services, Bureau of Educational Services, and Bureau of Institutional Services. An Advisory Committee to DYS was also established.

Consequently, the basic organizational structure of DYS was defined and mandated by the General Court.[2] Should this structure, or any part of it prove to be unfeasible, the law stipulated, "the commissioner of youth services, in consultation with the advisory committee, shall study and review the effectiveness of the administrative structure of the department of youth services as provided ... by section one of this act, and within one year of the effective date hereof shall report to the governor and the general court the results of such study and review and his recommendation, if any, ..." This new law became effective on October 28, 1969.

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[2] See Exhibit C

The statute imposed certain restrictions on DYS with respect to the establishment of district, or regional, offices and the purchase-of-services from extra-departmental sources.

> .... The department may expend such sums as may be appropriated for grants to cities and towns and to other public agencies and for the purchase of services from other governmental departments and agencies and from private non-profit agencies to carry out any of the programs and purposes of the department. The commissioner may establish, subject to appropriation, such district offices and employ such field agents as shall be necessary or desirable to carry out the program and purposes of the department ...(Emphasis Added)

Appointments and Qualifications of DYS Officials

The reorganization statute provided for appointments to the several positions established therein and defined the qualifications required for each.

COMMISSIONER

> .... The commissioner shall be appointed by the governor, with the advice and consent of the council, for a term coterminous with that of the governor. The commissioner shall, at the time of his appointment, be qualified by having earned from an accredited institution a graduate degree in the social sciences, education, law or related fields and by having no less than seven years professional or administrative experience in work related to the problems of delinquent children and youth.

COMMENT: There have been two Commissioners appointed since the inception of the reorganized Department of Youth Services and both appointees have satisfied the qualification requirements of the law.[3]

DEPUTY COMMISSIONER

> The commissioner shall appoint, with the approval of the governor, a deputy commissioner who shall not be subject to the provisions of chapter thirty-one and to whom the provisions of section nine A of chapter thirty shall not apply, but who shall possess the same qualifications required of the commissioner, except that he shall have had not less than five years experience in work related to juvenile delinquency, of which at least two shall have been as an administrator. Said deputy commissioner shall serve at the pleasure of the commissioner.

COMMENT: There have been three Deputy Commissioners appointed under the reorganization statute. It is our considered opinion that the first two appointees satisfied the qualification requirement of the law, while the third, the present incumbent of this position, does not.

ASSISTANT COMMISSIONER
BUREAU OF CLINICAL SERVICES

> The commissioner shall appoint an assistant commissioner for the bureau of clinical services who shall be a psychiatrist accredited by the American Board of Child Psychiatry. Said assistant commissioner shall have had at the time of his appointment a minimum of ten years experience in the field of mental health relative to children. (Emphasis Added)

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[3] Commissioner Jerome G. Miller served from October 28, 1969, until January, 1973, and was succeeded by Commissioner Joseph M. Leavey, the present incumbent.

This section of the law was later amended, upon the recommendation of DYS, to read:

> The commissioner shall appoint an assistant commissioner for the bureau of clinical services *who shall have a graduate degree from an accredited institution in psychology, social work, medicine, or related fields, with a specialty in the problems relating to children. Said assistant commissioner shall have had at the time of his appointment a minimum of five years professional and clinical experience working in the field of emotionally disturbed youth*. Said assistant commissioner shall serve at the pleasure of the commissioner. (Emphasis Added)

COMMENT: One individual has been appointed to this position since reorganization. There can be no doubt that he did not possess the required statutory qualifications at the time of his appointment. Some doubt exists as to whether he would qualify under the reduced standards, but the question becomes moot because he was appointed when the original qualifications were in effect.

ASSISTANT COMMISSIONER BUREAU OF AFTER-CARE, DELINQUENCY PREVENTION AND COMMUNITY SERVICES

> The commissioner shall appoint an assistant Commissioner for the bureau of after-care, delinquency prevention and community services who shall have an earned graduate degree from an accredited institution in the social sciences, education, or related fields. Said assistant commissioner shall have had at the time of his appointment at least five years professional experience in delinquency prevention and after-care with at least two of these years having

been spent in an administrative capacity in his field. Said assistant commissioner shall serve at the pleasure of the commissioner.

COMMENT: There have been three Assistant Commissioners of this Bureau appointed since reorganization took effect. It is our opinion that the first two appointees possessed the required statutory qualifications, while the third appointee did not.

ASSISTANT COMMISSIONER
BUREAU OF EDUCATIONAL SERVICES

The commissioner shall appoint an assistant commissioner for the bureau of educational services who shall have an earned graduate degree from an accredited institution in education, the social sciences, or related fields with a specialty in the problems relating to delinquency. Said assistant commissioner shall have had at the time of his appointment at least five years professional experience in public or private secondary school, teaching in the area of delinquency prevention or teaching delinquent youth, with at least two of these years having been spent in administrative-curricula planning capacity. Said assistant commissioner shall serve at the pleasure of the commissioner.

COMMENT: One individual has been appointed to this position since reorganization. His service ran from July, 1970 to March, 1973. It is our opinion that he did not possess the required statutory qualifications at the time of his appointment. His services were terminated in March, 1973, with the reason given being lack of work. This position is currently filled by an individual with the unauthorized title of Counsel III in lieu of the Assistant Commissioner. It is, likewise, our opinion that this individual does not possess the statutory qualifications required for appointment as Assistant Commissioner.

ASSISTANT COMMISSIONER
BUREAU OF INSTITUTIONAL SERVICES

The commissioner shall appoint an assistant commissioner for the bureau of institutional services who shall have an earned graduate degree from an accredited institution in the social sciences, education, or related fields. Said assistant commissioner shall have had at the time of his appointment at least five years professional experience in working with delinquent children in an institutional setting, with at least two of these years having been spent in an administrative capacity. Said assistant commissioner shall serve at the pleasure of the commissioner.

COMMENT: One Individual has held this position since reorganization. His service commenced in November, 1970, and continued until March, 1973. It is our opinion that this appointee did possess the required statutory qualification. His services were terminated in March, 1973, with the reason given being lack of work. This position is currently filled by an individual with the title of Chief Planner in lieu of the Assistant Commissioner. It is our opinion that this individual could not qualify for appointment as Assistant Commissioner of this Bureau.

Mandated Duties

The reorganization statute also defined the duties and responsibilities of DYS, its officials and its bureaus.

The general mandate given to DYS was to

> ..... provide a comprehensive and coordinated program of delinquency prevention and services to delinquent children and youth referred or committed to the department by the courts; community services for the prevention of juvenile delinquency through its own staff, through grants-in-aid to cities, towns, and other public agencies and through purchase of services from private nonprofit agencies, and services and facilities for the study, diagnosis, care, treatment, including physical and mental health and social services, education, training and rehabilitation of all children and youth referred or committed. The department shall maintain a program of research into the causes, treatment and prevention of juvenile delinquency, including new methods of service and treatment. The department shall cooperate with other state and local agencies, both public and private, serving children and youth.

The responsibility vested in the Commissioner required that he,

> ..... shall devote his full time during business hours to the duties of his office, shall be the executive head of the department and shall have full responsibility for the formulation and execution of all its policies and the coordination of all of its functions. He shall appoint and may remove all employees in the department. Unless otherwise provided by law, all such appointments and removals shall be made in accordance with the provisions of chapter thirty-one.

The statute likewise provided that

> ... Powers and duties given to any administrative bureau, subdivision or institution of the department by any general or special law shall be exercised and discharged subject to the direction, control and supervision of the commissioner.

The statutory language contained in the previous two paragraphs indicates beyond doubt that the Commissioner is in total charge of the operation of DYS and is responsible for all its policies and activities.

The statute requires that the Deputy Commissioner

> .... shall devote his full time during business hours to the duties of his office. He shall exercise such authority and discharge such duties of the commissioner as the commissioner may from time to time delegate to him and, in the absence or incapacity of the commissioner, or in the event of a vacancy in the office of commissioner, shall act as the commissioner until the absence or incapacity shall have terminated or the vacancy shall have been filled.

The Bureau of Clinical Services, under the supervision of an Assistant Commissioner, is mandated to

> .... review, upon commitment or referral, the social histories and diagnostic data concerning all persons referred or committed to the department, shall conduct such further study and evaluation as may be required for clinical classification and shall place such persons under an appropriate form of care. Said bureau shall conduct the research and planning necessary for the continued care of each youth within the jurisdiction of the department and the development and

> implementation of effective individualized treatment programs for each of the delinquent children committed to the department. *Said bureau shall be responsible for all case assignments, case reassignments case dispositions, and proposals for discharge, and shall regularly review existing case assignments in the department.* Said bureau shall operate the Reception-Detention Center for Girls at Boston, Judge John J. Connelly Youth Center, Boston, Westfield Detention Center, Westfield and Worcester Detention Center, Worcester, *and subject to appropriation such other centers as may be necessary for the study and diagnosis of children's needs upon commitment or referral and for temporary shelter care in emergency cases including those children requiring secure custody*. (Emphasis Added)

The Assistant Commissioner of this Bureau is "allowed such professional affiliations concurrent with his duties as the commissioner may approve, including the holding of a nontenure appointment at a university." He is likewise required, "with the approval of the commissioner, [to] establish and maintain standards for all clinical and child care positions in the department and [to] review the qualifications and performances of all clinical and child care personnel."

> COMMENT: The prime responsibility of this bureau is, in our opinion, the review of social histories and diagnostic data of all youths committed or referred to the Department, the conduct of such further study and evaluation as necessary for clinical classification, and the placement of such youths under an appropriate form of care.

This function has long since been delegated to the regional offices although the statute vesting it in this Bureau remains intact. The further requirement of responsibility for case assignments, case reassignments, case dispositions and proposals for discharge, together with review of existing case assignments, has likewise been delegated.

The Bureau of After-Care, Delinquency Prevention and Community Services, and its Assistant Commissioner, have the following responsibilities:

> The bureau of after-care, delinquency prevention and community services shall be responsible for the noninstitutional programs of the department, including but not limited to foster home care, group home care, after-care services to children in their own homes, after-care investigation services unit, parole and educational counselor programs. *It shall be responsible for developing alternatives to institutional care and shall provide for work with the families of children in institutions in order to facilitate their return home and their adjustment and integration into the community*. It shall further be responsible for continuing consultation with other state agencies and with local community groups and agencies for the development of preventive programs, the conduct of grants-in-aid for the initiation, demonstration and development of programs and the school adjustment counselor program. (Emphasis Added)

COMMENT: It is our opinion that the above language expressed the Legislature's intent that this Bureau develop alternatives to institutional care and present the same to the Legislature for approval. This opinion is buttressed by the fact that the statute does not say "develop and implement" such alternatives. Implementation was intended to be subject to legislative approval. Contrary to this intent, however, the Department not only developed such alternatives, but implemented them as well.

The Bureau of Educational Services and its Assistant Commissioner, shall

> .... establish and maintain programs and curricula for the educational service functions of each institution of the department and for coordinating educational services for individual youths at each stage of departmental jurisdiction. Said bureau shall establish and maintain academic and vocational educational programs, curriculum development plants, teacher training programs and library services for each of the institutions of the department and each of the youth committed to the department. Said bureau shall seek out and implement federally aided educational programs. Said bureau, after consultation with the commissioner and the assistant commissioners of the other bureaus or their designees, shall develop and initiate in-service training programs for all employees in each of the institutions and facilities within the jurisdiction of the department. Approval of such training programs by the director of personnel and standardization shall be required in accordance with the provisions of section twenty-eight of chapter seven ....
>
> Said assistant commissioner shall, with the approval of the commissioner, establish and maintain standards for all teaching positions in the jurisdiction of the department and shall review the qualifications and performances of all teaching personnel in the department. Said assistant

> commissioner together with the assistant commissioner of each bureau requesting replacement and additional teaching personnel shall make recommendations to the commissioner relative to the replacement and addition of each and all teaching personnel for the institutions and facilities under the jurisdiction of said bureau.

COMMENT: Departmental records, or the lack thereof, indicate little if any compliance by the Bureau with its statutory mandate. This bureau, for all intents and purposes, has been administratively dismantled although the statute remains in effect.

The Bureau of Institutional Services, and its Assistant Commissioner, shall

> .... operate the Residential Treatment Unit, Oakdale, the Lyman School for Boys at Westborough, the Industrial School for Boys at Shirley, the Institute for Juvenile Guidance at South Bridgewater, the Industrial School for Girls at Lancaster and Stephen L. French Forestry Camp at East Brewster. Said bureau shall be responsible for all programs within the institutions of the department other than those programs which are primarily clinical or educational, and shall from time to time evaluate such programs to determine their effectiveness. Said bureau shall coordinate programs between institutions and also with other programs of the department to assure effective continuity in the rehabilitative process ... Said assistant commissioner shall from time to time make recommendations to the commissioner relative to the need of major alteration and renovation, expansion, relocation or replacement of existing institutions or camps and the construction of additional institutions or camps.

COMMENT: This bureau, likewise, shows little if any, compliance with its statutory mandate and it too, for all intents and purposes, has been administratively dismantled.

The statute also established an Advisory Committee in DYS and defined its composition and responsibilities as follows:

> There shall be in the department an advisory committee consisting of the commissioner of youth services, the commissioner of mental health, the commissioner of education, the commissioner of correction, the commissioner of probation, the commissioner of rehabilitation, the chairman of the Massachusetts commission against discrimination, the executive secretary of the Massachusetts Society for the Prevention of Cruelty to Children, and the executive secretary of the Massachusetts Committee on Children and Youth, all of whom serve ex officiis, and eight other persons to be appointed by the governor. Such persons shall have demonstrated professional involvement and expertise in the area of delinquency prevention, rehabilitation, and treatment. The governor shall appoint from the members of said committee a chairman and a vice chairman. The committee may appoint a full time executive secretary.
>
> Said advisory committee shall have the following duties: (a) It shall advise the commissioner on policy, program development and priorities of need in developing a comprehensive program (1) for the treatment, rehabilitation and custody of juvenile offenders and (2) for integration of the juvenile offender into constructive community life. (b) It shall

review the annual plan and the proposed annual budget for the department, and shall make recommendations to the commissioner relative thereto. (c) It shall advise on the recruitment policies of the schools in the department. (d) It shall submit an annual report in which it may propose legislation and present material for the education of the public. (e) It shall visit, at its discretion, every institution and facility within the jurisdiction of the department. It shall meet at least four times a year and shall convene special meetings at the call of the chairman of the committee, a majority of the committee, or the commissioner. A writeen record of all meetings of the committee shall be maintained by the executive secretary and a copy filed within fifteen days after each meeting by said secretary with the commissioner of administration and finance.

COMMENT: An analysis of the minutes of meetings held by the Advisory Committee together with interviews by Post Audit Bureau staff of the Committee, leads to the conclusion that, during the tenure of Commissioner Miller, this group had little, if any, input into the policies and programs of the Department.

FEDERAL FUNDS

PLANNING CAPABILITY UNIT
OFFICE OF MANAGEMENT
SELF-SERVING EMPLOYMENT
VISUALITY, INC.

FEDERAL FUNDS

Legislative intent, as evidenced by the Massachusetts General Laws, annual appropriation acts, and other legislative enactments, frequently has been negated by the manner in which executive agencies have utilized federal funds to ignore legislative controls and guidelines.

A dual competitive government has resulted. On the one hand, the Legislature has appropriated money to pay for programs and personnel it has approved. On the other, executive agencies have used federal monies to establish their own programs and employ additional personnel, often diametrically opposed to those which have legislative sanction. The Executive Office for Administration and Finance has not hesitated to authorize the employment of individuals to further programs neither considered nor authorized by the Legislature. Checks and balances built up over the years under the state Constitution for the monitoring of the disbursement of public funds have broken down because of the availability of federal money to the Executive, beyond the control and, in many instances, the knowledge of the Legislature.

A classic example of the nullification of legislative directives can be found in an examination of the use of federal funds disbursed to DYS by the Governor's Public Safety Committee.

This committee was administratively established by Governor Francis W. Sargent by Executive Order. It is composed of gubernatorial appointees and designated public officials. It is funded by the Federal Government and has been designated by the Governor as the State Planning Agency to receive and disburse funds made available to the Commonwealth by the United States Law Enforcement Assistance Administration.

Federal money granted to the newly established Department of Youth Services by the Governor's Committee on Public Safety was used with the Governor's assent to set up a parallel staffing within DYS, using non-employees or outside consultants in unauthorized administrative positions. These funds permitted DYS to add staffing positions, without legislative approval, to close down departmental institutions which had been established by law, and to regionalize the Department prior to legislative approval.

PLANNING CAPABILITY UNIT

In August or September, 1970 the Department of Youth Services, through Commissioner Miller, informally applied to the Governor's Public Safety Committee for a grant of funds, the primary objective of which, as stated in the Federal Grant Application, was to "enable the Department of Youth Services to develop comprehensive departmental planning." The Department further contended that "the planning capability provided through this grant will enable the Department to accomplish tasks of the following types:

A. An assessment of the needs of the Department in relation to its recent reorganization.

B. An inventory of existing resources available to meet those needs.

C. The definition of Department objectives;

D. The development of priorities among these objectives;

E. The definition of strategies for the fulfillment of the objectives;

F. The development of programs for implementing these strategies, and

G. A multi-year projection of programs and funding, including identification of political constraints on these programs."

The Department further stated that "the new Office of Planning will be a special office reporting directly to the Commissioner. It will consist of a Director of Facility and Program Planning, an Executive

Assistant, a Federal Program Coordinator, Supervisor of Research, and Junior Clerk Stenographer."

In response to an inquiry from the Governor's Public Safety Committee as to "what prospects exist for continued financing of the project or the ideas and techniques it seeks to advance after federal support has been terminated," the Department stated: "It is expected that the Commonwealth will progressively assume financial responsibility for this planning unit. Two methods are under consideration: a) submitting corrective legislation to provide the Department with a fifth bureau into which this unit would fall; (b) requesting each of these positions in annual operating budgets."

It is obvious that the Department's expectations were presumptive because, when legislation was submitted to the 1971 session of the Legislature to create a fifth bureau, it was rejected; and when the request was made in 1972 for such positions in the budget for Fiscal Year 1973, it was denied by the Governor.

The application was approved in September, 1970, by the Governor's Public Safety Committee and subsequently by the U. S. Law Enforcement Assistance Administration, to be effective for the period from January 1, 1971 to August 31, 1971. Commissioner Miller signified the Department's acceptance of this grant on January 8, 1971, and the Planning Capability Unit came into existence.

Using funds from this grant, the Commissioner established the position of Director of Program and Facilities Planning on a consultant or non-employee basis with a salary of $22,000 annually. The duties set forth for the position included such things as, overseeing the development of all program projects, planning and evaluation operations, overseeing the preparation of all program data relative to the budgeting process, program monitoring, and overseeing the development of programs funded with federal money.

The job of the person holding this position was terminated on February 16, 1973 according to Commissioner Leavey, because "the position of Planning Director, at a salary of $22,000 was thought to be economically extravagant at a time when the Department was forced to streamline expenditures in order to meet its financial requirements to private vendors offering services to youth in our care."

Additional federal funds have been received by the Department for this project and the records of the State Comptroller indicate the following financial status of the Planning Capability Unit at the close of Fiscal 1973:

FISCAL YEAR	RECEIPTS	PAYMENTS	BALANCE
1971	$25,000	$16,537.98	$ 8,462.02
1972	183,550	157.976.95	34,035.07
1973	$137,000	123,575.95	47,459.12
TOTALS	$345,550	$298.090.88	$89,956.21

From an initial staff of five, the personnel roster of this unit increased to twenty-four not including consultants or "non-employees." Funds for these individuals were obtained without the Legislature's knowledge or approval and were expended without appropriation. Furthermore, the staff personnel were hired without regard to civil service requirements and without the approval of the Bureau of Personnel.

PERSONNEL EVALUATION OF 03 EXPENDITURES PLANNING CAPABILITY UNIT – 1-1-71 – 6-30-73

NAME	TITLE	PRESENT STATUS	STATE LAST EMPLOYED	MONIES RECEIVED
ARNOLD SCHUCTER	DIRECTOR OF PCU	DISCHARGED	MASSACHUSETTS	$35,964
RUDOLPH ADAMS	FEDERAL PROGRAM COORDINATOR	STILL EMPLOYED	OHIO	32,752
JAMES D. SMITH	DIRECTOR OF FACILITIES DEVELOPMENT	DISCHARGED	MASSACHUSETTS	30,603
HAROLD KRAMER* (See Appendix)	CONSULTANT TO PCU	TERMINATED	MASSACHUSETTS (Governor's Comm.)	29,436
DONNA CADY	PLANNING ASSOCIATE	TERMINATED	CONNECTICUT	22,464
JANET ARTERTON	PLANNING ASSOCIATE	TERMINATED	N/A	16,703
LUCY KEATING	PLANNING ASSISTANT	TERMINATED	OREGON	14,551
A. DAVID DAVIS	PLANNING ASSOCIATE	TERMINATED	NEW YORK	13,799
LAVONA GRAY	HEAD CLERK	STILL EMPLOYED	TENNESSEE	9,822
MARY MILLER	ADMIN. ASSISTANT	TERMINATED	MASSACHUSETTS	8,096
MARGARET LAURITSON	HEAD CLERK	TERMINATED	WISCONSIN	7,099
JOHN PRATT	PLANNING ASSOCIATE	TERMINATED	MASSACHUSETTS	5,413
CHARLES E. COATES, III	CONSULTANT	TERMINATED	MASSACHUSETTS	1,410
JAMES ISENBERG	CONSULTANT	TERMINATED	CALIFORNIA	2,450
10 MISC. INDIVIDUALS	N/A	TERMINATED	N/A	22,312
CONSULTING FIRMS	N/A	N/A	N/A	30,735

N/A = NOT APPLICABLE

Although emphasis was given by DYS in its application for federal funds to its need for planning, strategy and management, it included in the same application what is described as "success measurements relating to objectives" indicating it was thinking beyond the planning stage. These "success indicators" included the following:

- Deliver more quality services per youth in the Department's care.
- Decrease the recidivism rate.
- Regionalize facilities programs and responsibilities.
- Substantial reduction of department staff.
- Increase competence and involvement of staff in planning.
- Increase use by judges of DYS detention reports and recommendations.
- Increase flow of information between courts and DYS staff.

An attempt to evaluate the performance of the Planning Capability Unit with respect to the Department's own success indicators reveals the following:

- The Department is unable to substantiate factually that it is delivering more quality service.

- Other than the Forestry Camp program, the Department is unable to substantiate that the recidivism rate has been decreased.

- Statistics available fail to substantiate figures released by the Department purporting to show that cost per unit of service has been decreased.

- Regionalization from a program and responsibility standpoint has been a failure and is discussed subsequently in this report.

- The effort to increase the competence and involvement of staff in planning, while at the same time providing for a substantial reduction in department staff, has not succeeded.

- The effort to increase use by judges of DYS reports and recommendations and to increase the flow of information between the Courts and DYS staff has not materialized.

The Planning Capability Unit has been dissolved as it is no longer federally funded, and its performance did not warrant, in the view of the Legislature, its continuance under state appropriations. Of all personnel employed in the unit from its inception, only two remained and they have been assigned to other positions. The hard fact is that the Department, under Commissioner Miller, expended $245,550 in salaries for this operation with little success.

OFFICE OF MANAGEMENT

Commissioner Miller, having failed to convince the Governor and the Legislature of the necessity of a Bureau of Fiscal and Administrative Services, turned, once again, to the Governor's Public Safety Committee for assistance. He requested that agency to undertake an evaluation of the fiscal and personnel management procedures of DYS. In response to this request, the Governor's Committee authorized a four-day study to be conducted by R. W. Meier, consultant, Institute of Government, University of Georgia. His report was submitted on May 11, 1971.

The pertinent recommendations contained in this report, as they relate to this study and the events which have transpired since the report was submitted, are:

> - As indicated by the scope of the Department's activities, the plans for changes and improvements, the non-utilization of accounts and records, the need for control and internal audits, poor communications, need for manuals and written guidelines and better budget planning, a Bureau of Administrative Services and a Bureau of Planning and Research, both headed by an Assistant Commissioner, are urgently needed. It is recommended they be provided....

- Full use of the existing fiscal reports should be made. A quarterly Cost Summary Statement with per capita costs for each expenditure category in each institution and for each program reflected on a comparative basis will prove most useful in evaluating programs and measuring management.

- A Budget Officer position for the Department should be established and a system of budget planning and control, directly related to the programs and services, installed. The size and complex programs and services provided by the Department warrant a full-time budget officer. He would be concerned with the budget needs of each institution and division, preparation and justification of estimates, consolidation of requirements, cost of new programs, and the continuous execution of the budget throughout the year.

- An internal audit system should be established with at least two Department of Youth Services auditors attached to the central office. There are several areas of management not covered by the annual inspection of the State Auditor. With the addition of regional offices and community treatment centers, there will be an increasing need for advisory assistance and internal checks on such items as time and attendance records, travel, procurement, office expenses, communications, payrolls, etc. Abuse of directives and inefficient actions always increase in small loosely knit offices and institutions. (Emphasis Added)

- Communications with the Department and between the Department and institutions should be improved. A manual setting forth procedures and guidelines in not only the business and fiscal areas, but in other areas of the Department as well is urgently needed. A system of directives and policy statements to be followed pending manual preparation and changes should be installed.

- Plans should be commenced now to utilize a computer for storing and providing data and statistics in all areas of the department. Case histories, education records, personnel records, time and attendance, payrolls, inventories, procurement, budget controls, cost accounts, appropriation accounting, etc., are only a few applications possible.

> procurement, budget controls, cost accounts, appropriation accounting, etc., are only a few applications possible.
>
> - These objectives of a correctional Fiscal System should be met ...
>
> a) Provide accurate and current financial and fiscal reports to meet the needs of management at the central office, at the institutional level and the various state departments and offices concerned.
>
> b) Establish effective use of, and accountability for, all funds, property, supplies, obligations, expenditures and revenue.
>
> c) Make periodic disclosures of the financial condition and results of operation of each major program and activity in each institution and division of the Department.
>
> d) Assure full compliance with all statutory requirements and regulations.

Relative to personnel management in DYS, the report continued:

> The personnel office is seriously understaffed, with only four employees including the Personnel Supervisor. With more than 800 employees in the Department and with new programs and changing plans, sufficient personnel to handle the work load are needed.
>
> There is an eight-month backlog in the processing of personnel documents. Recruiting leaves much to be desired with institution heads sharing this task with the central office. There is no employee development program. An Employee-Management Relations section and supervisor is also needed.
>
> Obviously much needs to be done to achieve efficient personnel management in the Department.
>
> A full-scale study of all phases of personnel management should be made ...."

After the submission of the Meier report, DYS was awarded $50,000 in LEAA block grant funds by the Governor's Public Safety Committee to establish an Office of Management which would assist the Department to improve its fiscal and administrative functions. This grant was to be effective during the period July 1, 1971, to December 31, 1971.

Prior to the commencement of the grant period, Commissioner Miller informed the Governor's Public Safety Committee of his desire to use the grant funds purposes different from those which he had originally intended, and upon which the grant award was based. He requested that he be allowed to use $19,000 to hire an Executive Director of Fiscal Management and two Assistant Directors of Fiscal Management, and $31,000 to contract with the firm of Peat, Marwick, Mitchell & Co., to conduct a diagnostic review of departmental financial systems and procedures.

The requested change was approved and the Commissioner, with the approval of the Commissioner of Administration, hired consultants as Director of Administrative Services, Assistant Director of Administration for Fiscal Management, and Assistant Director of Administration for Personnel.

Director of Administrative Services

The Commissioner hired a consultant and designated him as Director of Administrative Services at a salary of $20,000 per year. As was pointed out in a previous report issued by the Legislative Committee on Post Audit and Oversight, this consultant, at the time of his appointment, was in the employ of the Governor's Public Safety Committee, the same agency which awarded the grant of funds to the Department of Youth Services from which he was compensated in his new position. That report further stated that "despite the fact that this consultant's experience in state service is extremely limited and that he had no experience in work dealing with juvenile offenders, he was placed in the position of Director of Administration of the Department of Youth Services." This consultant, who, as such, was a non-employee of the Commonwealth, was entrusted with complete fiscal and administrative control of DYS, responsible only to the Commissioner.

Assistant Director of Administration For Fiscal Management

The person appointed to this position by the Commissioner, at an equivalent annual salary of $17,000, was, likewise, a consultant or non-employee, and was compensated from the same funding source as the Director. While holding a graduate degree in business administration, he had no previous experience in public administration. This consultant was answerable only to the Director of Administrative Services and the Commissioner.

Assistant Director of Administration For Personnel Management

The person appointed to this position by the Commissioner, at an equivalent annual salary of $14,800, was also a consultant and had no formal education beyond the high school level. His previous experience consisted of self-employment in the poultry business and as a poultryman in the Department of Mental Health. In addition, he had service as a business agent with the AFSCME, AFL-CIO.

The major responsibilities of this appointee included the development and oversight of required policies, systems and procedures for such personnel management areas as hiring, record keeping, union relations, promotions, reassignments and transfers, as well as payroll preparation and verification.

Eventually there were more than a dozen consultants, plus consulting firms on this federally supported payroll, as shown by the following tabulation.

OFFICE OF ADMINISTRATION & FISCAL MANAGEMENT (1702-0633)
EVALUATION OF 03 PERSONNEL EXPENDITURES
(7-1-71 to 6-30-73)

NAME	TITLE	PRESENT STATUS	MONIES RECEIVED
GARDNER JACKSON, JR.	DIR. of ADMINISTRATION	TERMINATED	33,949.08
DAVID GORFINKLE	ASS'T. DIR. ADMINISTRATION	TERMINATED	24,838.19
JOSEPH CORREIA	ASS'T. DIR. PERS. MGMT.	TERMINATED	10,577.15
RACHELLE DiDONATO	EXEC. SECRETARY	STILL EMPLOYED	15,222.40
JOAN BELLE ISLE	ADMIN. ASSISTANT	TERMINATED	12,881.70
JAMES SIMMS	SUPERVISING ACC'T.	TERMINATED	13,293.62
TONI ROBBINS	SECRETARY	TERMINATED	4,249.20
DONALD CARROLL	SEN. ACCOUNTANT	STILL EMPLOYED	10,487.15
MARCIA MARCH	CONSULTANT	STILL EMPLOYED	10,125.00
ARTHUR FREELAND	CONSULTANT	STILL EMPLOYED	7,866.00
LOUIS SIMONS	AUDITOR	TERMINATED	6,611.10
MISC. INDIVIDUALS	N/A	N/A	30,413.00
CONSULTING FIRMS	N/A	N/A	39,961.69
TOTALS			220,475.28

N/A = NOT APPLICABLE

The Commissioner then contracted with the firm of Peat, Marwick, Mitchell & Co., at a cost of $31,000, to conduct a diagnostic review of the financial systems and procedures of the Department. This review included the following components:

- A comprehensive review of financial practices covering all phases of the Department's central administrative office and institutional operations.
- The use of a proven data collection and instrumentation approach which would supplement interviews with the examination of documents to validate actual fiscal practices.
- The identification of major weaknesses in internal controls, processing efficiency, and effective management use of financial data, including the specification of priority areas for improvement.
- A methodology which recognizes the importance of coordination with the development of the DYS program reporting system and integration with the state-wide data classification system being developed by the Department of Administration and Finance.
- The preparation of a conceptual framework for the development of an automated financial accounting and reporting system for the Department, including specification of the tasks and resources required to carry out the detailed design and implementation of that system.

The consulting firm submitted its complete report for the first two phases of a four-phased project on September 30, 1971, and found:

- A lack of efficient or adequate operation of financial systems concerning
    - a) Payroll preparation
    - b) Personnel records, (duplicate or missing)
    - c) Inventory records,(duplicate or missing)

- A lack of available financial information to support program management relative to
    - a) Cost of services
    - b) Improper use of or unfamiliarity with state activity account code system

- A lack of effective integration of program management activities concerning the relationship of budget to goals, objectives and programs.

In order to alleviate these problem areas, Peat, Marwick, Mitchell & Co. recommended:

1. putting all present accounting systems in order;
2. centralizing all personnel record keeping;
3. improving budgeting procedures by establishing all budgeting steps, heavily involving program personnel, and using an activity account structure;
4. establishing proper use of the activity account code system by redefining the codes and reviewing all costs to insure they are properly charged;
5. developing and preparing financial reports for program management use;
6. integrating administration of federal and state funds.

The report further recommended that the majority of the Department's financial and administrative functions be centralized to

- allow more efficient utilization of personnel.
- provide program personnel with increased and more timely financial support.
- facilitate greater control over departmental activities by central office administrators.

The firm also stated that these recommendations would require no acquisition of data processing hardware by the Department. The Department would continue using the data processing facilities of A&F.

An analysis of the Department's adherence to the recommendations made in this report is quite indicative of the reasons for the financial chaos which has ensued and is documented throughout this report. Two years after the Department's receipt of this report, the status of the recommendations was found to be as follows:

1. The three financial systems were still not in order.
2. There were duplicate or missing personnel and inventory records. Neither payroll nor personnel functions were centralized.

3. Budgeting procedures remained "an educated guess."
4. The Department still did not use the state's activity account code system.
5. Financial reports were not developed and prepared for program management use.
6. There was questionable administrative integration of federal and state funds.

With respect to the recommendation that the majority of the Department's financial and administrative functions be centralized, it was found that:

1. Program personnel were located at 73 Tremont Street, Boston.
2. Fiscal personnel were located at 14 Somerset Street, Boston.
3. A field operation record and processing center was located in Oakdale, at the former John Augustus Hall School.

Inasmuch as the Department ignored most of the recommendations of Peat, Marwick, Mitchell & Co. and, in view of the fact that the management systems and procedures are still as bad as, if not worse than, they were portrayed in the study report, it can only be concluded that the amount of $31,000 spent on this study constituted a wasted expenditure. It may be argued that at least the data contained in it are available for departmental use. This is true, but the Department has given no indication of an intent to avail itself of such data.

Self-Serving Employment

An analysis of expenditures by the Department of federal grant funds for personnel in the Planning Capability Unit and the Office of Administration and Fiscal Management revealed that several of the DYS personnel were formerly employed by the Governor's Committee on Public Safety, the funding conduit via which they received their consultant salaries at the Department. It further indicated that these individuals, while in the employ of the Governor's Committee, were involved directly in either the application, funding or management of grants from which they subsequently received compensation while with the Department.

In a letter from Richard W. Baird, deputy director for administration, of the Governor's Committee, to the Post Audit Bureau and dated July 30, 1973, it was stated:

> The following individuals were at one time employees of our agency:

1) Gardner Jackson, Jr., terminated 9/8/71 at a salary of $19,000. Mr. Jackson, an Associate Director-Administration, had general grant administration responsibility as well as internal administrative responsibility for this agency. His supervision of the grants management activity included involvement in the development of projected budgets and funding levels for not only DYS projects but also for all other projects funded by this agency.

2) Harold S. Kramer, terminated 9/21/71 at a salary of $18,000. Mr. Kramer, as Technical Specialist-Planning, had the responsibility of helping the deputy director coordinate the preparation of this agency's annual comprehensive criminal justice plan. This activity included involvement in the development of program and project content for not only DYS but for the entire criminal justice system.

3) Arthur F. Freeland, terminated 12/20/72 at a salary of $17,000. Mr. Freeland, as Manager of this agency's Grants Management Division, reported to Gardner Jackson prior to Mr. Jackson's termination. He had direct responsibility for the review of project applications, project monitoring, and subgrantee reporting, not only for DYS projects but for all other projects as well.

4) Rachelle DiDonato, terminated 9/3/71 at a salary of $7,320. Miss DiDonato was Gardner Jackson's secretary, and left this agency at the same time he did. Hers were routine secretarial duties.

5) Corinne C. Hobbs, terminated 3/6/72 at a salary of $6,760. Miss Hobbs, as Assistant to the Office Manager performed routine clerical tasks.

6) Robert T. Gill, terminated 8/26/69 at a salary of $85.00 per week. Mr. Gill worked as an office assistant for the summer only.

Arnold L. Rosenfeld, Executive Director of the Governor's Committee, "did not recommend any of these people to DYS, and in certain cases might have advised against the hiring, but he is obviously in no position to prevent the Commissioner from hiring whomever he choses," Mr. Baird wrote.

From July 1, 1971, through June 30, 1973, a total of $298,090.88 was expended by the Planning Capability Unit and $220,475 by the Office of Adminstration and Fiscal Management for consultant salaries and fees. The great majority of those so employed have terminated their services with the Department.

Through the use of federal funds, Commissioner Miller succeeded in bypassing the General Court, as well as the Division of Civil Service and the Bureau of Personnel. By so doing, he succeeded in surrounding himself with an administrative hierarchy ill-equipped by background, training and experience to cope with the problems and operation of the Department. Whatever qualifications they did possess had to be subservient to their loyalty to his policies and philosophy. Their inability, or unwillingness, to function within business and accounting systems established by the state Comptroller, and to comply not only with the laws of the Commonwealth but with federal regulations, resulted in a fiscal and administrative approach based on expedient implementation of ideas without consideration of, or regard for, the consequences.

The administrative and fiscal problems of the Department, which existed prior to the Miller tenure, were not solved during it but rather compounded and nearly resulted in the bankruptcy of the Department and its numerous vendors. They exist today and their solution constitutes a monumental task for the present Commissioner of the Department which will require a dedication to sound management practices and the laws of the Commonwealth.

VISUALITY, INC.

The Department, on November 10, 1971 entered into an agreement with the firm of Visuality, Inc., of Cambridge, Mass., covering the period from the above date to December 31, 1972. The agreement was in the nature of a retainer whereby the private firm agreed to perform certain tasks for DYS as it received and accepted task orders from the state agency. The cost for the individual task orders would be determined at the time they were submitted. For planning purposes, however, it was estimated that the overall cost would approximate $80,000 which was to be paid from federal funds granted to DYS by the Governor's Public Safety Committee.

The Commissioner of Administration did not approve this contractual agreement until May 24, 1972. Its provisions called for:

> 1) Evaluation of proposals to the Department of Youth Services; 2) Analysis of current operations and systems; 3) Assistance in comprehensive planning; 4) Definition of future projects for the Department of Youth Services to undertake or sponsor; 5) Assessment of operational requirement for information, planning, management and control; 6) Definition of specifications for improve-

ments; 7) Evaluation of technical alternatives based on cost benefit criteria; 8) Information systems analysis; 9) Planning and design information systems; 10) Technical assistance in evaluation of on-going projects; and 11) Implementation, test and evaluation of information systems.

This analysis consisted of the following tasks:

a. Analysis of Title IV-A administrative, program, and evaluation requirements in order to establish data collection and analysis needs.

b. Assist in definition and structuring of Title IV-A data base for interim data processing requirement.

c. Integration of data from other public and private youth agencies providing support services to pre-delinquent and delinquent youth.

d. Organize the Title IV-A data base to bring it into an operating status.

e. Develop preliminary design approach for converting EAM Title IV-A data base to automatic data processing status to premit progressively expanded operation including increased data capacity selective data retrieval, data editing and flexible report generation capability.

Despite the lack of approval, task orders were submitted by DYS and accepted by Visuality, Inc. In addition, work was performed by the firm and liabilities incurred by DYS. The individual task orders also required approval by the Commissioner of Administration but most were completed prior to such approval.

TASK ORDER	PERIOD COVERED	AMOUNT	APPROVAL
4 - 1	11-10-71 to 4-30-72	$ 5,280.00	5-5-72
4 - 2	11-10-71 to 12-31-71	3,300.00	5-24-72
4 - 3	2-1-72 to 2-29-72	4,529.00	5-5-72
4 - 4	3-1-72 to 3-31-72	4,207.50	5-19-72
4 - 5	4-1-72 to 4-30-72	4,227.30	1-15-73
4 - 6	5-1-72 to 12-31-72	50,000.00	11-14-72
		$71,543.80	

Under Task Order 4 - 1, Visuality, Inc. was requested to provide the necessary personnel facilities, equipment, software, computer time, and other resources needed to provide analytic and design services to the Bureau of Institutions and Residential Care. These services were to be used toward developing a data base and a data gathering system to aid management by improved effectiveness in daily decision making and long-range planning needs.

On December 1, 1971, an analysis was begun under task order 4 - 2 of the resultant data for justification of Title IV - A funds expended for the support of delinquent children committed or referred to the Department.

Task orders 4-3 to 4-7 covering the period February 1, 1972, to December 31, 1972, were for the continued development of the internal DYS information support group and the further design, preparation and implementation of the automated processing and verification of Title IV-A reimbursement claims.

The automated system which Visuality developed as a result of these task orders became operative in September of 1972. It consisted of: 1) A personnel data base containing the personnel history and location of all DYS employees; 2) A billing data base; 3) A service data base; and 4) The client track by which the Department could track the location of all of its youth and substantiate its claim for Title IV-A reimbursements.

According to Visuality, Inc., the computer printout obtained from the four bases provided the following reports:

- 2 updated printouts of Personnel Report including all Personnel. Each report listed personnel alphabetically and sorted by region.
- Numerous lists of personnel in specific locations based on information taken from terminal.
- New and updated pages for Service Data (one page per agency).

- Printout of all billing data entered.

- Printout of IV A eligible days youths spent in residential locations during the first half of calendar 1972 plus supporting track for each youth included. Computer calculated days spent during that period which comprised first 6 months of residence for each youth plus any part of second 6 months spent after a break of at least two months in residential placement.

- Monthly printout of Client Track in four forms: alphabetically, by ID number, by region, and by location (Residential and Day Service).

These reports were used in the following ways:

- Title IV A Reimbursement Claims.
- Verification of bills (kids in location billing).
- Cost Projections (# of kids/location x $).
- Cost Control (change in placement costs ea. week).
- Locating individual kids.

- Locating DYS Personnel (incl. Job grade, appropriation #).
- Determining staffing at given locations.

- Maintaining and updating information on all DYS Service Agencies for use in Regional and Central office billing and placement work.

- Responding to numerous outside requests for information on services provided (numbers, kinds, descriptions) numbers of kids in the Department's care (referred, committed, receiving certain kinds of services) and showing population growth trends.

- Showing what actual monthly cost of day and residential services is, both in total and by region.
- Determining number and names of kids staying in specific locations longer than a given period of time, e.g., six months.

On December 8, 1972, DYS acknowledged the receipt from Visuality of a proposal covering Task Order #4-7 to cover the period 1-1-73 to 3-31-73 in the amount of $65,000, but advised, "This acceptance is contingent on the Department securing the required approvals from the Executive Office of Administration and Finance."

Visuality commenced work without the necessary approval and eventually terminated services on March 31, 1973.

No approval has as yet been received. Negotiations are still going on between Visuality, DYS, the Executive Office for Administration and Finance, and the Governor's Public Safety Committee for payment of services rendered.

Having already received $73,661, it is estimated by Visuality that it is owed another $86,000. If total payment is eventually made, the Department will have spent $160,000 for a system which is no longer in operation.

At the present time the nine volume client tracking system is being manually maintained by at least six employees who post information as it is forwarded to them from the regional offices. The system is now used primarily to substantiate the claims for Title IV-A reimbursements.

On July 30, 1973 the Governor's Committee on Public Safety made public an interim audit report, SPA Audit 73-44, "Audit of Costs Incurred by Visuality, Inc." Findings and a pertinent recommendation of the committee auditors follow:

> BACKGROUND
>
> The original work plan and budgets as submitted for Projects 71-32 and 71-71d did not contain references to an information system. However, DYS transferred budgeted funds into the consultant category of grant 71-32 and into the consultant category of all the components within grant 71-71d. DYS drew on those consultant funds to make payments to Visuality.
>
> FINDINGS
>
> 1. Special Conditions
>
> DYS did not comply with many of the special grant conditions relating to consultants and contracts. Examples of non-compliance follow:
>
> a) Grant Project 71-32
>
> Special Condition 4 required DYS to provide the SPA with copies of contracts submitted for approval in compliance with state requirements.
>
> Special Condition 5 required DYS to furnish the SPA with a detailed breakdown of consultant fees, rates, etc., as part of the regular Quarterly

Financial Reports. A review of both grant management and DYS files disclosed that these required documents had not been prepared by DYS.

b) Grant Project 71-71d:

Special condition 5 is the same as special condition 5 of grant 71-32. Again, DYS did not prepare these required reports.

c) Grant Project 72-130

Special condition 3 required DYS to provide the SPA with a detailed breakdown of consultant fees, rates, etc., as part of the regular Quarterly Financial Reports. This information was not submitted to the SPA until 3/73 quarterly report which was 3 months after the contract with Visuality was completed.

Special Condition 8 required DYS to insure that all information system design, development and product documentation shall be in accordance with the SPA's system Standards (specification for RFP) 1, 2, and 3. The auditor could not find any documentation to support this requirement.

Special Condition 9 required DYS to submit all specifications and related requests for proposal (RFP) material to the SPA's engineering staff for review and approval prior to the issuance of any RFP. As of 3/73, the engineering section of the SPA had not received the required material for both special condition 8 and 9.

DYS authorized Visuality to implement its own specifications for the DYS Information Support System under grant project 72-130 in the amount of $50,000 rather than engage a different firm for implementation of the specifications which Visuality developed. As a result, there was no assurance that DYS obtained the best system for the dollars expended.

Special Condition 13 states that no funds shall be obligated or expended for Information Support until specific prior A&F and SPA approval has been obtained. The audit disclosed that DYS accepted the proposed contract with Visuality on 5/1/72, but the SPA did not give specific approval to DYS until 9/14/72; and the AF-C2 was not approved until 11/14/72. However, the SPA's approval was intended only to allow Visuality to draw up the specifications for the RFP and not for Visuality to implement its own specifications.

RECOMMENDED:

As required by Special Condition 13, DYS, should have submitted a request for approval of the contract with Visuality to the SPA prior to the obligation or expenditures of any LEAA funds. However, although the SPA had given DYS approval of the contract on 9/14/72, the approval in no way authorized the implementation of the Information Support System Plan, but only authorized the drawing of the specifications for the RFP. Therefore, since Visuality went ahead and implemented its own specifications it is the auditor's opinion that SPA management should seriously consider the disallowance of the total cost of Task Order 6 ($46,491) and seek the return of this amount from DYS.

SUMMARY:

It is conceded by the Department that, as the system now operates, the services of Visuality, Inc. could have been terminated after the initial computer printouts were supplied in September, 1972. It is further conceded that the need did not exist for a sophisticated automated information tracking system as planned and developed by Visuality, Inc. DYS, instead, might have heeded the recommendation of Peat, Marwick, Mitchell & Co. study, for which it had expended $31,000 and utilized existing data processing equipment, or it could have implemented a manual system. The intended purpose would have been accomplished by either of the latter methods.

Here again, DYS indicated its total disregard of laws and regulations with resultant financial loss to the Commonwealth both from a short range and a long range viewpoint. Not only was the sum of $46,491 expended in contravention of SPA requirements, but the use of a potentially valuable system of cost control was denied to the Commonwealth.

SUMMARY

1. The Planning Capability Unit (PCU), financed with $298,090.88 in federal funds, was a failure and was disbanded.

2. Another $220,475 in federal funds was used to set up an Office of Fiscal Management, with similar results.

3. The Executive Director of Fiscal Management and his two Assistant Directors lacked experience and knowledge of public administration, specifically at the state level.

4. The Peat, Marwick, Mitchell & Co.'s $31,000 study to assess the existing fiscal systems and procedures and expedite the development of an effective financial accounting and reporting system at DYS was wasted due to the Department's failure to follow the recommendations which were submitted.

5. DYS has failed to review its own procedures, its philosophy, or to make its own recommendations or manuals, but has hired numerous consultants at the taxpayers expense to perform studies of the Department which were seldom implemented.

6. Former Commissioner Miller implemented regionalization even though the Commonwealth had never appropriated any funds for the establishment of district offices

DEINSTITUTIONALIZATION

IN THEORY

AS PRACTICED

REGIONALIZATION

DEINSTITUTIONALIZATION

In Theory

The hallmark of the administration of Commissioner Miller is termed, for the purpose of this study, "deinstitutionalization." In simplest terms, the procedure of deinstitutionalizing is the removal of youths in the custody of DYS from its institutions and their placement in privately operated, community-based treatment units consisting of residential care, foster care, and/or aftercare programs on a per diem or contract fee basis. The philosophy behind this administrative feature of the Department was outlined, on an after-the-fact basis, in a departmental publication issued under date of February 25, 1972, and entitled "A Strategy for Youth in Trouble."[1]

This report states: "the Department's strategy for deinstitutionalization is based on some simple and realizable goals and not on some fanciful notions of reform based on techniques which social science has not yet invented. The strategy is to ameliorate existing conditions in the most humane ways possible at the most economical level of financial cost, to conserve the scarce resources of the department, state government and the taxpayer. Included in this strategy is a number of secure intensive treatment units, as places of last resort, which hopefully will prove rehabilitative for hard

[1] Departmental Publication Dated Feb. 25, 1972.

core recidivists, and highly disturbed, dangerous youth."

The departmental publication further maintains: "*one of the great challenges to our society in the remainder of the 20th century is to dismantle state government agency by agency, and distribute the responsibility and financial resources to new mechanisms for the organization and delivery of human services*." (Emphasis supplied)

"The first segments of State government which should be the focus of this long-range dismantling operation are childrens and youth services and any institutions which incarcerate as treatment and to protect society."

"Community based programs is at once an euphemism for state government getting out of the business of running institutions and moving away from institutionalization as the answer to deviance and dependency. Let us not be deluded that community based programs for former inmates of juvenile reformatories and prisons ... are adequate. On the contrary, the facilities to care for or provide services to these persons are wholly inadequate, the community is unprepared for their return and the former inmates .... are frequently unprepared to cope. The release for community treatment and rehabilitation *must coincide* with the development of community resources to avoid burdensome and chaotic consequences..." (Emphasis added)

The Department further stated in its publication:

"The Department's objective to close its large training schools has to be seen in the perspective of a national revolution in treatment of not only delinquents but the insane, criminal, orphaned and poor. We no longer are able or willing to treat or punish these groups of people as inmates of incarcerating institutions. Reformatories and training schools (or houses of refuge) are going the way of the almshouse or orphan asylums. Viewed within an historical perspective on the institutionalization of deviant or dependent people, back to the early 19th century, the Department of Youth Services and the Commonwealth of Massachusetts are merely one decade ahead of the rest of the nation in the degree to which we are moving away from the incarcerative mode of coping with juvenile problems."

"Increasing reliance on probation and parole, to decrease the distance between juvenile and community, is a national trend designed to reduce reliance upon incarceration of both children and adults. However, in our judgement, the proponents of deinstitutionalization may promise and expect too much in terms of effecting "cures" for anti-social behavior in community-based programs. It is important to explicitly state what we know and what we do not know."

"We know that:

- incarceration in training schools (or other correctional institutions) is inhumane by current standards, destructive and humiliating of inmates even under the best of circumstances, educates youth in the ways of crime and anti-social behavior, is incredibly expensive as either a correctional or rehabilitative method, and that these infantalizing, corrupting and expensive characteristics are inherent in institutions and not susceptible to reform.
- juvenile corrections institutions in Massachusetts or elsewhere, do not: rehabilitate anybody, produce lower rates of crime, or decrease chronic recidivism.
- community-based programs (probation, parole, group homes and half-way houses, foster care, volunteers and advocates) will do no worse than the incarcerating institutions, and the price to society - in human and financial terms - is bound to be much lower."

"We do not know that:

- community based programs for prevention and treatment of juvenile delinquency will solve the current problems of youth crime or related family breakdown, or reduce the number of juveniles appearing in courts.

- the adjudication and commitment rate of juveniles in the State will be lowered since it is dependent on many factors which have little to do with previous incarceration of the youth, such as location of the court, judge in session, social and economic status of family, adequacy of legal counsel, alternatives available, etc."

This report, in its conclusion, states:

> the history, philosophy, strategy and program content behind the Department of Youth Services' current reorganization contains a binding message: humanize the system of juvenile justice, now, without needless delay, despite the inevitable risks and uncalculated consequences. (Emphasis added)

Despite the fact that this official departmental publication was long on history and philosophy and that the Department had assumed responsibilities and prerogatives never vested in it, the report is extremely short on specifics and contains no evidence to support its numerous allegations and contentions. It encompasses within its framework not only juvenile offenders, as the same are defined by law, and whom the Department refers to as "children in trouble," but, in addition, all children "needing help." In its language, the Department vests itself with the mantle of the advocacy agency in the state for children in trouble or needing help which is otherwise unobtainable, while at the same time that it had no "specific charter or endorsement" for its advocacy role by the Legislative or Executive Branch of State Government.

Excerpts from this report are included here because they clearly define the Department's attitude, its interpretation of its duties and responsibilities, and the goal of Commissioner Miller's administration.

The "uncalculated consequences" previously referred to will be discussed in succeeding chapters.

As Practiced

An alarming aspect of the program for closing down juvenile institutions and the shifting of youthful state charges to community based facilities is the absence of clear cut documentation for carrying out the ideas of the administration.

Almost the entire dismantling of the departmental organization which was an integral part of the 1969 reorganization, and the emptying of the state institutions was carried out apparently with oral instructions. There is a dearth of supportive written material.

The Department, in its most recent annual report, refers to a mandate from the Governor and the Legislature to carry out the actions taken under former Commissioner Miller and Commissioner Leavey, but the details of such a mandate are missing.

Other than the DYS publication, A Strategy for Youth in Trouble, there was no plan, official or otherwise, for the closings and little written intra-agency memoranda or timetables for bringing deinstitutionalization about. No evidence could be found indicating that employees were given written instructions as to the lawful implementation of the strategy.

Public institutions were emptied of youthful charges without any discoverable communications between the Executive Department and the Commissioner of Youth Services or from the Commissioner to his staff subordinates.

Although deinstitutionalization was promoted as a means of saving money, this has not materialized, and DYS has not substantiated its claim that community-based treatment programs lessen recidivism, improve rehabilitation or result in greater educative opportunities.

The number of runaways has skyrocketed since the Department's change of direction. The number of deaths, by accident or otherwise, among state charges has risen spectacularly.

Seeking a review of the program by persons most closely associated with the problems of youth, the Bureau solicited the advice of those members of the

Judiciary who handle the initial court appearances of children, the Judges of the District and Juvenile Courts.

The results of this evaluation are detailed in greater degree subsequently in this report but, in brief, the majority of judges expressed the opinion that the Department acted too hastily; that there is a need for secure state juvenile treatment institutions, and that the rights of the general public, as opposed to the rights of offenders, has been overlooked.

It has been the contention of the Department that it is much more costly to keep a youth in an institution than it is to place him in a community-based treatment program. Departmental estimates of costs have gone as high as $10,000 per youth per year in an institution. Since the Department could not provide data to substantiate its argument, the Post Audit Bureau made an analysis of per capita expenditures at Oakdale developed by the State Auditor in order to determine the validity of the Department's position.

The net yearly per capita cost at Oakdale for the period March 12, 1971 to April 26, 1972, was $9,477 based on an average population of less than twenty. This might appear to support the Department's contention. It must be noted, however that during the period January 26, 1966 to

January 26, 1967, the net yearly per capita cost at Oakdale was $3,051 based on an average population of sixty-eight.

PERIOD	NET ANNUAL PER CAPITA COST	AVERAGE POPULATION
3/12/71 - 4/26/72	$9,477.00	20
1/26/66 - 1/26/67	3,051.00	68

The Department's use of per capita cost figures for an institution which is operating with a full maintenance staff and a depleted census is misleading.

REGIONALIZATION

An integral component of the Commissioner's deinstitutionalization plan was the establishment of regional offices and the delegation to them of authority vested in DYS Bureaus by law.

The reorganization statute contained the following authorization:

> The Commissioner may establish, subject to appropriation, such district offices and employ such field agents as may be necessary or desirable to carry out the program and purposes of the department. (Emphasis added)

No such appropriations were made, however, during Fiscal Years 1971, 1972, and 1973 by the Legislature, nor were they recommended by the Governor. Notwithstanding, the Commissioner appealed once more to the Governor's Public

Safety Committee for federal funds in order to regionalize the DYS operation, and the Governor's committee responded. During Fiscal Years 1972 and 1973, a total of $582,560 of federal funds was expended in the establishment and continued operation of seven regional offices as follows:

EXPENDITURES BY SUBSIDIARY

FY 1972 and 1973
PLANNING AND DEVELOPMENT OF COMMUNITY SERVICES
REGIONAL OFFICES ACCT. 4206-0611
LEAA FUNDED

	FY 72	FY 73	TOTAL
Permanent Positions 01	$118,261.11	$269,611.08	$387,872.19
Professional Services 03	31,430.00	30,686.03	62,116.03
Clothing 05	3,364.61	- - -	3,364.61
Heat & Other Plant 08 Operations	528.35	883.24	1,411.59
Travel & Automotive 10	5,059.55	39,185.80	44,245.35
Maintenance & Repairs 12	2,068.33	128.00	2,196.33
Special Supplies 13	2,581.48	333.03	2,914.51
Office Expenses 14	10,423.75	22,754.03	33,177.78
Equipment 15	15,164.35	4,422.57	19,586.92
Rentals 16	9,074.84	16,172.33	25,247.17
State Aid 17	428.00	- - -	428.00
Total	$198,384.37	$384,176.11	$582,560.48

The regions were established to conform to Mental Health Department Districts. They did not resemble one another however, from the standpoint of degree of delinquency or case load.

Once the regions were established, certain powers, duties and responsibilities were delegated to Regional Directors, such as:

1) Approving and signing all placements

2) Approving and signing all paroles

These actions were all taken under the direction and control of the Commissioner and were in conflict with the law. With respect to number 1, the authority to determine placement is vested by statute in the Bureau of Clinical Services and no power of delegation is granted. With respect to number 2, the law vests this authority in the Department of Youth Services and does not authorize the Department to delegate such authority to non-employee consultants, who directed and staffed unauthorized regional offices.

The regional offices, in addition, were established as the result of little, if any, planning and the ensuing inefficiency of operation resulted in poor quality services to youth. This was determined by an evaluation team from the central office of the Department assigned to evaluate the administration of Regions II (Worcester), IV (North Shore), and VII (New Bedford - Fall River) during the months of March, May and August, 1973. The team did not bother to evaluate the remaining four regions. Major in-house criticisms found of the regions which were evaluated included:

1. Lack of accountability and supervision of employees.
2. Passive administrations.
3. Absence of in-service training.

4. Acceptance of inadequate work performance.
5. Poor role definition.
6. Over-use of established placements.
7. Failure to place demands on employee performance.
8. Lack of employee knowledge of job duties.
9. Dual staff responsibilities.
10. Lack of organizational structure.
11. Lack of minority group staffing where applicable.
12. Lack of communication.
13. Inadequate record keeping.
14. Poor program development.
15. Poor program evaluation.
16. Inability to recruit, monitor and evaluate foster homes.
17. Lack of understanding of youth.

The establishment of the regional offices by the Commissioner, without adequately planning the structure and operation of them, is the primary cause for the criticisms listed above.

The evaluations mentioned were conducted after the departure of the former Commissioner and at the direction of the present Commissioner. It is noted that the General Court has since approved regionalization, only to the extent of establishing job specifications and duties of the Regional Director, Assistant Director and Coordinator. No funds were appropriated to establish the offices, however.

CLOSING OF INSTITUTIONS

CHRONOLOGY

INDUSTRIAL SCHOOL FOR BOYS, SHIRLEY

LYMAN SCHOOL

JUVENILE OPPORTUNITIES EXTENSION PROGRAM (J.O.E.)

DR. LARRY DYE

WAYSIDE UNION, FRAMINGHAM

INDUSTRIAL SCHOOL FOR GIRLS, LANCASTER

JOHN AUGUSTUS HALL SCHOOL, OAKDALE

NORTHEAST TRAINING CENTER AND RESIDENTIAL UNIT, TOPSFIELD

TRANSITIONAL ALTERNATIVES, INC.

JOHN J. CONNELLY YOUTH CENTER, ROSLINDALE

STEPHEN L. FRENCH FORESTRY CAMP, EAST BREWSTER

MIDDLEFIELD FORESTRY CAMP

CLOSING OF INSTITUTIONS

The reorganization act vested in the Bureau of Clinical Services the responsibility to "review, upon commitment or referral, the social histories and diagnostic data concerning all persons referred or committed to the department [and] shall conduct such further study and evaluation as may be required for clinical classification, and shall place such persons under an appropriate form of care."

The 1969 statute further stated the same bureau was charged with the operation of existing departmental detention centers in Roslindale, Westfield and Worcester and "subject to appropriation such other centers as may be necessary for the study and diagnosis of children's needs upon commitment or referral and for temporary shelter care in emergency cases including those children requiring secure custody." (Emphasis added)

The Department's authority for utilizing "temporary shelter care" was limited to "emergency cases." Even in these limited cases, the Department was required to obtain prior approval through an appropriation by the Legislature.

In the same 1969 enactment is the authorization for "the purchase of services from other government departments and agencies and from private nonprofit agencies to carry out any of the program and purposes of the department" but, again, there is the stipulation that the Department may only "expend such sums as may be appropriated for" the purpose.

CHRONOLOGY

The Department of Youth Services, under the direction of Commissioner Miller, commenced, on September 21, 1970, to close departmental institutions and to provide alternative placement for the youths residing therein.

INSTITUTION	PERIOD OF CLOSING	ALTERNATIVE PLACEMENT***	
BRIDGEWATER*	9/21/70 - 10/1/70	Youths Paroled Home	36
		Youths Transferred	13
OAKDALE	10/1/71 - 5/24/72	Paroled	37
		Transferred	57
		Placed	6
SHIRLEY	9/23/71 - 1/6/72	Paroled	53
		Transferred	30
		Placed	8
LYMAN	9/2/71 - 3/24/72	Paroled	230
		Transferred	46
		Placed	86
LANCASTER**	12/26/71 -	Paroled	34
		Transferred	24
		Runaways	63

* The closing of the Institute for Juvenile Guidance was mandated by the General Court by Chapter 767 Acts of 1969. The Department of Youth Services was directed to purchase former Maryknoll Novitiate property in Topsfield, Mass., to use it as a replacement facility for Bridgewater. The Department purchased the property, but never utilized it for any departmental purpose.

** The Industrial School for Girls at Lancaster is currently scheduled to be closed in June, 1974. It had previously been scheduled for closing in 1972.

*** In this context, the terms used have the following meanings:

Paroled - released to youth's own home or the home of a relative.

Transferred - sent to another departmental institution.

Placed - sent to community based residential treatment program, after-care program, or foster home.

Shutting down the Institute for Juvenile Guidance at Bridgewater in September, 1970, constituted the first closing of an institution in DYS. It was directed by the Legislature immediately prior to the passage of the Youth Services reorganization act. Chapter 767 of the Acts of 1969 authorized funds, in the amount of $2,500,000, for "the purchase of the former Maryknoll noviatiate property in Topsfield to be converted to replace the institute of juvenile guidance ..." This replacement of facilities was motivated by the deteriorating physical condition of the Bridgewater institution and not by any theory of deinstitutionalization.

As a prelude to deinstitutionalization, the Department, on October 1, 1971, entered into a contract with Psychonomics, Inc., Brookline, in order to develop an integrated and coordinated program for the psychological evaluation of children entrusted to its care. Psychonomics, Inc., agreed to provide to selected children within the Department psychological evaluation and testing which consisted of:

A. Rehabilitation and Vocational Assessment

B. Psychological Testing

C. Psychodiagnostic Assessment

D. Neurological Testing

E. Such testing as the Medical Director for the Department shall designate, in writing, to Psychonomics.

The contract called for the Department to pay a fee of $125 for each evaluation filed with its Medical Director by Psychononics, Inc.

The Department entered into three more contracts with the same firm for identical services as follows:

CONTRACT	EFFECTIVE DATE	NO. OF CHILDREN EVALUATED	COST PER CHILD	AMOUNT	APPROVAL BY A&F
#1	10/1/71	150	$125	$18,750	12/31/71
#2	1/1/72	150	125	18,750	4/28/72
#3	2/15/72	150	125	18,750	4/24/72
#4	3/15/72	50	125	6,250	5/19/72
TOTAL		500		$62,500	

These agreements were consultant contracts and, as such, required the approval of the Commissioner of Administration. Analysis reveals that, in each instance, contract performance was entered into before such approval was obtained. As a matter of fact, approval was received for Contract #3 prior to the Commissioner's approval of Contract #2. It is further noted that the DYS Commissioner signed each contract before submitting the same to the Executive Office for Administration and Finance.

There was no effort on the part of the Department to consult with the Massachusetts Board of Registration of Psychologists or the Massachusetts Psychological Association to determine if there was a standard charge per evaluation for psychological testing such as this or whether any other firms were available which might be interested in bidding on a project of this nature.

There is no evidence that the Executive Office of Administration and Finance, charged with approving all such rates, ever went behind the agreement signed by the Department, although the Department of Public Welfare was paying a fee of only $60 per child for similar studies.

A joint legislative committee which conducted a study of the Department issued a report entitled, "Evaluation of the Programs and Facilities Within the Department of Youth Services," in March, 1972, which tied together the contract with Psychonomics, Inc., and the closing of DYS institutions.

The report went on to state that the evaluations consisted of five tests and a comprehensive interview and each evaluation took a total of between six and seven hours. It further stated that this information was obtained as a result of an interview with the Director of Psychonomics and the Director of Planning Capability Unit of the Department of Youth Services.

In addition, it could not be determined to what extent, if any, these evaluations were eventually used.

"In November of 1971, Psychonomics, Inc.," the report read in part, "began a 'crash program' of testing all children incarcerated at Shirley, Lancaster, and Lyman. This testing went on for days and nights, as well as through holiday periods so that the Department could close down the large institutions as rapidly as possible." (Emphasis added)

Industrial School for Boys, Shirley

The closing of the Institute for Juvenile Guidance at Bridgewater in Septmeber, 1970 provided DYS administration with a future direction in which to aim its, as yet, unsubstantiated rehabilitative goals.

Shortly thereafter, the Industrial School for Boys at Shirley was selected as the second target in the dismantling of an institutionalized system which had been in operation for over one hundred and twenty years.

An attempt was made during the first three months of 1971 to close Shirley, through the gradual removal of all of its inmates. This attempt was unsuccessful and was accompanied by a large number of escapes (68), staff and inmate unrest, several fires of suspicious origin in the administration building, and vocal displeasure by the residents of the town of Shirley, culminating in a protest meeting in the Governor's office.

Despite the unresolved problems, efforts to close Shirley continued throughout all of 1971. They were hampered by numerous changes in the administration of the school and the ongoing dismantling which was exemplified by the removal of the bulk of the furniture and equipment. It was either transferred to other institutions or given away to private agencies in violation of the Rules and Regulations Governing Purchasing.

In retrospect, 1971 appears to have been an administrative nightmare for all concerned - wholesale paroles (321) - transfers to other institutions (230), and escapes (318). Finally, on January 2, 1972, for all intents and purposes, the Industrial School for Boys was closed as a juvenile institution.

Lyman School

After the psychological evaluation of the majority of the juvenile charges at Lyman School by Psychonomics, Inc., DYS instituted an innovative method for closing of the institution at Westboro. To avoid the numerous problems encountered with the phased out closing of Shirley, the Commissioner tried a speedy mass removal of residents from Lyman. The purpose was to skirt staff and town opposition.

Between December 1, 1971 and January 26, 1972, a total of 169 boys were placed elsewhere. The boys were divided into five categories, as follows:

Paroled home	105
Change of status ("runaway" to "paroled")	11
Paroled to Job Opportunities Extension	39
Private Placement	9
Transferred to another institution	5
	169

Although Lyman didn't officially close until March 24, 1972, the institution stopped accepting referrals on January 16, 1972. The following day, the majority of the youths remaining at the institution, 39 in number, were transported by car to the University of Massachusetts at Amherst in order to attend a month-long DYS sponsored conference on juvenile delinquency which was run by a consultant to DYS.

JUVENILE OPPORTUNITIES EXTENSION PROGRAM (J.O.E.)

DYS entered into an agreement with Dr. Larry Dye, a consultant to the Department and a lecturer at the University of Massachusetts, Amherst, to use his Virginia-based firm, Advocacy Associates, as the funding conduit for what was advertised as a National Conference on Juvenile Delinquency Prevention and Treatment at the University.

The unavailability of funds to operate such a conference stood as a major roadblock to implementation of the conference. This hurdle was overcome when, in violation of good fiscal practices and the usual prohibitions of the Commonwealth, DYS, in the person of the Commissioner, agreed in writing to assign any funds due to Dr. Dye in connection with the operation of the conference to the Third National Bank of Hampden County to effect a loan of $55,000 by the bank to Dr. Dye. (See Exhibit D)

The sponsor of record of the conference was the Juvenile Opportunities Extension, a university campus group which had done volunteer work at the Westfield Detention Center. It was planned that juvenile offenders in custody of the DYS would attend the conference with each juvenile being accompanied by a student advocate. A problem developed when it was found that a majority of the propsective student advocates would be on vacation during the time of the conference. A number of other students were recruited to care for the juveniles, although they had no previous experience with juvenile delinquents.

The Department, in hindsight, contends that the purpose of the conference was one of educational, as well as sociological enrichment. They contend that the ninety-nine juvenile participants had been thoroughly screened and their post conference placement had been decided prior to the conference. This is contradicted by the January 14, 1972 press release published by DYS which stated:

> The University students will act as youth advocates for the D.Y.S. During the course of the month, the advocates on a one-to-one basis will be negotiating for and with the youth with various community agencies (e.g.: schools, courts, rehabilitative and welfare services, and group homes) as well as exploring family situations and living arrangements.
>
> The conference program will be geared toward providing the advocate and the youth with substantive resource information to assist the Department in the placement of the youth.

According to information contained in a study of the conference published by the Harvard Law School, Center for Criminal Justice, ten youths and ten advocates formed a group under the leadership of a department employee from the Westfield Detention Center. Under the section of the report titled, Group Leader's Evaluation of the Conference, the major problems encountered are significant. They listed advocate selection and training procedures, as well as unclear instruction as to the primary goal of the conference, namely, post conference placement.

The advocates themselves complained of selection problems, lack of external supports (knowledge on background of child), lack of coordination between the University and the Boston DYS office, as well as the baby-sitting function they performed.

In summary, this innovative experiment was, in general, poorly planned, hurriedly implemented, and objectively confusing in light of the diverse opinions on the specific purpose of the conference. In addition, approximately ten percent of the youths in attendance used the conference as an opportunity to escape.

The cost to the Commonwealth for this conference was $39,156 and its accomplishments speculative at best. No other such conference has ever been held.

Dr. Larry Dye

On November 4, 1970, Dr. Dye, while acting as a consultant to DYS, and also serving as a lecturer at the University of Massachusetts, accepted a DYS committed youth into his home as a foster child. For performing this service he received a weekly stipend from DYS.

During early March of 1972, the exact whereabouts of this youth began to be questioned by departmental officials. It was learned that the youth had left Dr. Dye's home some months prior to this. At no time did Dr. Dye notify DYS of this fact, nor did he request that agency to stop sending the weekly allowance for the boy's care. The Department was forced into threatening to turn the matter over to the Attorney General before Dr. Dye eventually reimbursed an agreed upon $592.14. The state ward is still missing.

Despite its experience with Dr. Dye in the above case and in the handling of the conference, DYS, in

October of 1972, entered into a contract with another student organization which he headed. This contract was executed with the Advocates for Development of Human Potential totaling $134,855 covering the period September 1, 1972 to August 31, 1973. Dr. Dye co-signed the contract as project director. He was to set up a halfway house on the Amherst campus for 17 juvenile offenders.

Wayside Union, Framingham

Having tested and removed all residents from Lyman School, DYS was confronted with a problem of utilizing the employees assigned to that institution. The problem was resolved to some degree in the following manner:

The Department received the approval of the Governor and Superintendent of State Buildings to rent 18,032 square feet of space at 587 Salem End Road in Framingham, on April 7, 1972. This agreement was effective on December 1, 1971. The rental was set at $40,000 per year and was later amended in January, 1973, to include a proportionate share of the heat, light, water, sewage and insurance costs.

The Commissioner stated in a letter, dated November 8, 1971, to the Superintendent of State Buildings, "The Department desperately needs additional space because of overcrowding at Roslindale, Westfield, Worcester, etc..." From this it must be assumed that this facility was intended to serve as a reception-detention center to alleviate overcrowding at similar existing facilities.

Wayside Union, a three-story brick building located less than five miles from Lyman school was opened to intake almost simultaneously with the closing of the Lyman School for Boys in Westboro.

It is apparent from our investigation that some type of accommodation was made by the Lyman School staff and the Commissioner to temper opposition to the closing of Lyman School. The transfer of the Lyman staff to Wayside Union accomplished that purpose.

In agreement with the Framingham District Court and the owners of the building, the intended purpose of the facility was changed from a reception-detention center, if such was ever the case, to a long-term residential treatment unit. This is evident from DYS's own internal evaluation of the facility which was conducted from October 5 to October 16, 1972. An evaluation team stated in its report that, "other Bureau Commissioners were apparently not aware of such an agreement and have been operating under the assumption that Wayside was primarily a detention unit serving Region V." This is just one of the many examples where a communications gap existed between the Commissioner and the rest of the agency.

Wayside Union is presently being funded, staffed and operated solely by the Department. Twenty-nine state employees are currently assigned there at an annual payroll cost in excess of $225,000. The rental, heating, lighting, insurance, food, medical, and program costs make the total annual operating cost for this facility in excess of $300,000. This amounts to more than the General Court appropriated to operate either the Worcester or the Hamden County Detention facilities for Fiscal Year 1973.

FACILITY	STAFF	NO. OF ADM.	NO. OF ESCAPES	%	FISCAL YEAR 73 OPERATING BUDGET
Wayside Union	29	109	40	37%	$300,000 + est
Worcester	39	2139	89	4%	289,000
Hamden County	33	1121	60	5%	246,000

The main finding of the Department's internal evaluation was that Wayside Union functions primarily as a custodial institution whose program centers around the day-to-day control and management of resident behavior.

Industrial School for Girls, Lancaster

Coincidental with the closing of Lyman School, steps were being taken by DYS to close the Industrial School for Girls at Lancaster. The lack of proper planning blocked the closing, and the facility is still open and DYS youths are in placement there.

Lancaster handled the treatment and care of girls exclusively until 1971, when the first boys were admitted. These were the seven-to-twelve-year old boys who had been housed at John Augustus Hall School, Oakdale, and they were placed in the Clara Barton and Pines cottages under the care of female institution help.

Although state help was available in this state institution for the care of the young boys, the Department signed a contract with the Robert F. Kennedy (R.F.K.) Action Corps, at a charge of $175 per boy per week, to take over the duties. The Department supported the Kennedy staff with seven state employees. In addition, the state supplied the corps with furniture, heat and other utilities, and medical and dental care, clothing, and after-care for its charges.

This action was taken by DYS despite the law which states:

> Nothing herein shall be construed as giving the department of youth services .... power ... to pay a private institution or agency for services which a public institution or agency is willing and able to perform. 1]

1] M.G.L.A. Chapter 120, Section 10 (B)

While we concede that it might have been possible for DYS to show that the Lancaster staff was not able to perform such services, the record does not indicate this.

Other private agencies operating under the same circumstances include: Boston Mental Health Foundation d/b/a/ Andros at the John Connelly Detention Center in Roslindale, Transition House at the Northeast Training Center in Topsfield, and the New England Home for Little Wanderers, located at the former Girl's Detention Center in Jamaica Plain.

One rationale for the agreement with the R.F.K. Action Corps is contained in their contract budget. "Note: The program has absorbed an annual deficit of approximately $30,000 in its present facility in Salem. The transfer to Lancaster will eliminate the expenditures for rent and maintenance which comprised nearly 100% of the operating deficit in Salem." So it would appear that the department's intention for contracting services to the RFK Action Corps was to absorb the operating deficits of this private agency.

By late February, 1972, the decision had been made by the Commissioner and the Planning Capability Unit to close all of the programs at Lancaster by May 1, 1972, except for the R. F. K. Action Corps.

A memo from the Commissioner on April 20, 1972, spelled out the plan for the phase-out of Lancaster. In this memo the Commissioner also alluded to his advising the town to develop plans for the acquisition of any or all of the Lancaster facility.

The appointed date for closing, May 1, 1972, came and went, but Lancaster was not closed. The Department, however, had requested only a maintenance budget of $117,297 for Fiscal Year 1973, intending not to have any residents at Lancaster. Thus, without budgeted funds for food, clothing and medical expenses in the Lancaster account, but with children still there, DYS found itself in another dilemma. How were they going to provide for these children? In a manner symptomatic of departmental operation, these expenses were charged to the community based treatment unit appropriation account.

DYS continued this practice by not requesting any funds for child care at Lancaster for the Fiscal Year 1974. No funds were appropriated and the charges continued to be assessed on the community based treatment unit account. This policy, in contravention of law, permits DYS to claim that all of its institutions are closed.

As of October 30, 1973, there were approximately eighty-two residents at Lancaster. By cottage, program and department employees assigned, the breakdown is as follows:

PROGRAM	COTTAGE	NO.	DEPT. EMPLOYEES
R. F. K. Action Corps.	Clara Barton	14	3
	Wellington (Pines)	24	
*Region III Detention	Cambell Cottage	13	22
Girls Committed & Detained	Putnam	19)	
Day Care Program	Mary Lamb	5)	57**
Co-ed	Cambell	7)	
		82	

Despite the autonomous cottage setup, and the need for a Region III Detention Center, and the commitment of the staff, DYS has reiterated its intention to close Lancaster, this time by July 1, 1974.

John Augustus Hall, Oakdale

The former Worcester County Training School located on thirty-eight acres of land in Oakdale was acquired by the Department in 1955. This facility served to chronologically separate male offenders. Those assigned to Oakdale were between seven and twelve years old.

* Expenses for Region III Detention paid from appropriation account 4205-0010 Detention Centers Metropolitan Areas.

** Includes all maintenance personnel.

The original purchase, renovation of the existing buildings and construction of a new dormitory building amounted to a total capital outlay expenditure in excess of $450,000. Even with this physical plant expansion, the facility was inadequate to meet the needs of the expanding population from a programmatic, as well as living condition standpoint.

In 1966, the Legislature appropriated a total of $1,043,000 for the design and construction of a combination gymnasium - auditorium building and an administrative - cafetaria - classroom building. The final construction cost of these two buildings, including the demolition of the existing administrative building, eventually totalled $1,091,000. The three-building complex was specifically constructed to house youths of elementary school age. There are no barred windows or wired glass, the furniture is juvenile size and generally the buildings contain no security features such as heavy duty locks.

Despite its unique features and attendant costs, DYS removed its residents and experimented with converting the facility into a detention facility for older youth. It is difficult to comprehend the agency's rationale in this instance that the facility, uniquely constructed for the care of small children and without security features, could successfully be utilized as a detention center for older youth. The total security failure of John Augustus Hall School as a detention facility is evidenced by a letter to DYS from the Chief of Police in West Boylston. This correspondence was in the nature of a bill for services rendered in apprehending escapees from this institution. It listed the escapes and the amounts as follows:

DATE	NO. OF RUNAWAYS	
3/1/72	2	
3/5/72	1	
3/6/72	1	
3/7/72	3	
3/9/72	3	
3/20/72	3	
3/30/72	1	
	14 at $20 per youth	$280.
4/8/72	2	
4/12/72	6	
4/18/72	2	
4/22/72	1	
4/30/72	3	
	14 at $20 per youth	$280.
TOTAL	28 at $20 per youth	$560.

Mounting community opposition finally resulted in the termination of this facility as a center.

Having no other use for this $1,500,000 complex, the Department proceeded to turn it into a financial administration headquarters for the processing of all expenditures for its institutions, community based programs and personnel. This decision was in direct contravention to recommendations of LEAA and Peat, Marwick and Mitchell Co. studies to the effect that DYS should centralize their various administrative functions. This function was subsequently transferred to Lancaster and the John Augustus Hall School is no longer utilized by DYS for any purposes.

NORTHEAST TRAINING CENTER AND RESIDENTIAL UNIT, TOPSFIELD

The Legislature, in 1969, having recognized the severe inadequacies of the physical plant at the Institute for Juvenile Guidance at Bridgewater, authorized the expenditure by the Department of $2,500,000 for "the purchase of the former Maryknoll novitiate property in Topsfield to be converted to replace the institute of juvenile guidance; including alterations and renovations to the existing buildings, the construction of a swimming pool, and necessary furnishings and equipment..."[2] This legislation was enacted immediately prior to the enactment of the DYS Reorganization Act.

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[2] Acts 1969, Chapter 767

On November 13, 1969, the Department purchased this facility which included 19.1 acres of land and 79,000 square feet of floor space in the main house, carriage house, classroom, dormitory building, chapel, and auditorium.

A total of $1,285,500 was expended for the purchase, title search and appraisal fee. Over and above these costs, an additional amount of $83,267.82 was expended for renovations as follows:

Temporary Sewerage Systems	$21,339.37
Renovations, Alterations and Emergency Lighting	9,920.85
Designers' Fees and Reimbursements	32,248.00
Survey and Testing Fees	12,500.00
Advertising and Blueprints	7,259.60
Total	$83,267.82

Despite the fact that the Legislature mandated this facility as a replacement for Bridgewater, DYS never complied, although it did close the institution at Bridgewater. The Department's explanation for its failure to comply is outlined in a memorandum to the Executive Office for Administration and Finance dated March 20, 1973. With respect to the Topsfield facility, the memorandum states:

> The Department of Youth Services really never got a program going for which the site was purchased. The reason for this being that the community completely rejected the thought of delinquent youngsters being housed and treated in their community. Consequently, one roadblock after another was placed in the path of our Department, the major one being the Department of Public Health and the other Department of Public Safety. The Local Department of Public Health determined that the sewerage system was designed so that it was not adequate to support a program with twenty-five youngsters in it plus fifteen staff (in a facility that had housed 150 nuns).. This problem has since been repaired with the acquisition of four acres of land with new leach fields and other systems that are necessary to correct such a problem. The Department of Public Safety determined that the gymnasium and classroom area had structural damages sufficient enough so that they forbade us to use it for program use. Capital Outlay money is available to repair these damages and satisfy the requirements of Public Safety.

An analysis of the language of this section of the memorandum clearly indicates that the Legislature had provided more than enough money for the Department to correct any existing deficiencies at the Topsfield facility in order to comply with the requirements and findings of the Town Departments of Public Health and Safety. As a matter of fact, the sewerage problem was corrected. DYS, however, made no effort to correct the structural damages in the gymnasium and classroom area and never used this facility as a replacement for Bridgewater.

The contention of the Department of Youth Services that the reason for its non-use was that the community completely rejected the thought of delinquent youngsters being housed and treated in their community and that, consequently, roadblocks were placed in the way of the Department by town agencies, must be evaluated in light of the language contained in the State Auditor's report related to this facility:

> Temporary Sewerage Disposal Work: The Department of Public Health will not permit this facility to be occupied until certain work is done on a sewage disposal system. That Department approved a temporary sewage disposal system provided that a permanent one was ready for operation within eighteen (18) months. The Town of Topsfield approved this arrangement provided that until a permanent system is installed the facility will house only eighteen (18) wards, six (6) staff and thirty (30) intermittent non-resident persons. A Town of Topsfield official further stated that before they approve a permanent system more bottom land will have to be acquired by the Youth Service Board."

The Department did all that was required by the town relative to the sewerage system, but failed to have the structural corrections made in order that it might comply with the legislative mandate to use this facility as a replacement for Bridgewater. The Department has no reason, or excuse, for this failure.

One fact is clear. Although the Department has expended approximately 1.47 million dollars for the purchase and repair of the Topsfield facility, and is currently spending in excess of $50,000 per year for maintenance, the Department has never used this facility for any of its programs.

INITIAL USE

The property in question was purchased by the Department of Youth Services on November 13, 1969, with funds appropriated by the Legislature for that purpose. It was purchased, allegedly, to carry out the legislative mandate that it be the replacement unit for the outmoded Institute for Juvenile Guidance at Bridgewater. The legislative intent was clear - replace the maximum security institution at Bridgewater with a maximum security institution at Topsfield. Ample funds were provided to accomplish this purpose.

This intent was further clarified when, in the enactment of legislation reorganizing the Department of Youth Services, which occurred shortly thereafter, the Legislature left intact the requirement that the Topsfield property be purchased as a replacement for Bridgewater. This intent was still further clarified in subsequent appropriation measures.

Despite the clarity of legislative intent, the Commissioner, on April 27, 1970, and prior to closing the institution at Bridgewater, filed an application with the Law Enforcement Assistance Administration of the U. S. Department of Justice (LEAA) for a federal grant to establish a regional staff training center combined with a treatment unit for delinquent and pre-delinquent youth. The

Governor's Public Safety Committee was a co-applicant in this request. The application requested a project of twenty-four month's duration with funding of $233,510 for the first twelve months. LEAA awarded a grant of $200,000 for the period July 1, 1970 through June 30, 1971. In addition to this amount of federal funds, the Commissioner in his application, committed the Commonwealth to an expenditure of $440,554, of which amount $300,000 was used which the Legislature had appropriated for renovation of the Topsfield property to serve as a replacement for Bridgewater. The award of $200,000 was reduced by LEAA on October 1, 1970, to $183,120.

This project was undertaken at Topsfield and was a failure. The Final report on this project by the Department of Youth Services to the Governor's Public Safety Committee, dated February 14, 1972, contained the following:

> EVALUATION:
>
> The Topsfield project did not produce expected results for the following reasons:
>
> A. The administrative setup made it difficult to maintain vital communication flow with the project. The co-equal sharing of decision making responsibility broke down when communications failed between the two project components and the two units began operating as separate entities, each with its own objectives, rather than a part of an overall programmatic approach.

B. One of the basic premises of the program, the treatment unit as a training model, proved unworkable because of the unexpected impact of trainees on the treatment model. There was obviously not enough flexibility built into the project conception to allow for the restructuring of the treatment/training concept when or if one of the basic approaches proved inadequate.

C. The control of the treatment population was not exercised to create a smooth inflow-departure schedule, resulting in an essentially totally new population all at the same time. No formal process of reception and integration of new students was established, resulting in differing approaches with each admission.

D. The condition of the Topsfield facility, unknown at time of purchase, precluded occupation of the facility until the project was well underway. The facility was not approved for total projected occupancy at any time during the project period.

As dismal as this evaluation by the Department of Youth Services is, the ensuing audit report by the Governor's Committee on Public Safety is even worse. In this report, dated December 27, 1972, the Governor's Committee, which was a co-applicant with the Department of Youth Services in this matter, stated as follows:

> ... controls did not exist to preclude the obligation of funds in excess of amounts available per budget category.
>
> The accounting system did not provide for information concerning non-federal matching funds.
>
> Procedures were not adequate to provide that employees were paid in accordance with approved budget rates. Individuals whose qualifications, jobs, and salaries were not compatible with those indicated in the latest approved budget worked for and were paid from this project.

No formal personnel policies existed during the project period. Neither were personnel actions records maintained.

No records were maintained for project employees with respect to time and attendance.

No procedures were in effect which limited consultant expenditures to those with budget approval. The purpose and utilization of all consultants paid under this project couldn't be determined. Information supporting their use was requested during the audit but has not as yet been received.

One individual, who is now employed by D.Y.S., was paid $162.50 twice for work performed as a consultant on December 27, 28, 29, 30 and 31, 1971.

Three D.Y.S. staff members were sent to Minnesota Outward Bound, a survival course, for a period of 30 days. It is the auditor's opinion that this training had no relationship to the program.

Equipment purchased for the program was not properly controlled. Two typewriters which were purchased with federal funds could not be located. A request made to trace their whereabouts was fruitless.

A review of unpaid bills recorded as of December 31, 1971 revealed that there were a number of furniture and equipment items which should not have been paid for by this project. It was agreed that the items would be charged to another account within D.Y.S.

Since the requested extension was never granted, this project was effectively terminated as of December 31, 1971. The only allowable expenditures after that date would be those relative to unpaid obligations as of December 31, 1971. Included in the previously listed cost incurred figure was $9,051 in unpaid obligations in the personnel category. If an expenditure was not made before the September 30, 1972 limitation date to liquidate this obligation, it cannot now be made unless a waiver is obtained from LEAA.

Recommendation

The $1,500 payment for training of three staff members at Minnesota Outward Bound should be disallowed.

The duplicate consultant payment of $162.50 should be disallowed.

D.Y.S. should request reimbursement from the individual concerned.

Cost of the two typewriters should be disallowed if they cannot be located.

The requested extension should not be granted. A final report should be submitted as of December 31, 1971. Adequate information and documentation should be included which will:

1) Justify the qualifications, salaries and position of all personnel utilized on this project.

2) Explain the purpose and utilization of all consultants used on this project.

3) Support in detail the matching expenditures reported.

In cases where the above justification and support is not deemed adequate, applicable costs should be disallowed.

To date, $165,614 of the $183,120 award has been sent to D.Y.S. In order to cover the total cost incurred of $168,261, an additional $2,647 would be required. This however will be altered by:

1) Recommended disallowances.

2) Potential additional disallowances following the final project report.

3) The status of the unpaid obligations and the necessity and result of a waiver request concerning their liquidation.

In any event, a determination should be made as to the appropriate final expenditure, and the remaining balance, being FY1970 funds, should revert to the U. S. Treasury.

The following action should be taken relative to all active D. Y. S. projects.

1) Establish personnel policies in writing.

2) Maintain personnel action records for all employees.

3) Implement procedures to insure that personnel are paid in accordance with approved budget rates and that they meet the qualifications for the positions they are filling.

4) Maintain time and attendance records for all personnel.

5) Provide for controls which preclude the obligation of funds in excess of amounts available per budget category.

6) Assure that the accounting system provides for adequate information concerning non-federal matching funds.

7) Establish controls which limit expenditures in the consultant area to those which bear proper approval.

8) Assure that all government property is adequately identified and controlled.

This case history is symptomatic of many of DYS activities since reorganization. As in most instances, activities were ill-planned, ill-defined, and improperly administered. This is undoubtedly what the language of the departmental publication entitled "Strategy for Youth in Trouble" meant when it stated that, to paraphrase, action must be taken regardless of uncalculated consequences.

During the course of and subsequent to the alleged conduct of the program outlined in the federal grant, the State Auditor made certain findings relative to this facility during the period December 16, 1970 to March 3, 1972. The State Auditor reported as follows:

> A visit to the Northeast Training Center and Residential Unit, Topsfield revealed that the only program in operation at this location is a drug therapy program. The program is being administered by the West-Ros-Park Association, Inc. through its Division, Mass Transition.
>
> An Agreement entered into on December 27, 1971 between the Corporation and the Department of Youth Services states that the main objective of the program is "to provide for expert advice, consultation and treatment through the use of the staff of the Corporation" whereas the Department will provide the physcial plant, maintenance, utilities, food, etc. The agreement covers the period from October 1, 1971 to September 30, 1972.
>
> Mass Transition has been granted $50,000.00 from State Funds being administered by the Division of Drug Addiction, Department of Mental Health, for the drug rehabilitation program.
>
> At the time of the visit to Topsfield a request was made of the Director of Mass Transition and also the Director of Administration of Youth Services as to the population residing at Topsfield. The population count as of the date of audit, as related by a staff employee of the Mass Transition and the Director of Administration, was twelve males and six females. It was also indicated that ten of these persons were in the custody of the Department of Youth Services and eight were not.
>
> An additional request was made as to the names of the persons in the custody of the Department residing at Topsfield as of the date of audit. This reasonable request, within the scope of audit, has not been answered. Either the staff could not or would not answer the request.
>
> Section 5 of Chapter 120 of the General Laws, as amended by Chapter 838 of the Acts of 1969 states, in part, as follows:

> "The department of youth services shall keep written records of all examinations and of the conclusions based thereon, and of all orders concerning the disposition or treatment of every person subject to its control."

> Evidently no records are maintained for the youths residing at Topsfield in the custody of the Department of Youth Services or no youths in the custody of the Department reside at Topsfield.
>
> The only conclusion that can be drawn is that the Department of Youth Services is supporting a program which does not affect the youths committed to its custody.

The Post Audit and Oversight Bureau was advised by the Office of Counsel to the Department of Youth Services that the agreement referred to above was never formally signed. The records further indicated that payments were made to this group by the Department in the sum of $5,299.40 during Fiscal Year 1972.

PRESENT USE

The State Auditor recently reported that a visit to this facility revealed that the only program in operation at this location was a drug therapy program which was being administered by Transitional Alternatives, Inc., Topsfield.

This report is contradicted somewhat by the aforementioned memorandum from the Department of Youth Services to the Executive Office for Administration and Finance wherein the Department states as follows:

The Manor or the original house has been used for the past year and a half by the Mass. Transition, a private self-help drug program for youthful offenders. The clients in this program, were children who in most cases the adjudicated responsibilities of the DYS., a Mr. Kenneth Newell, director of the program. The reason that this program was allowed to use this facility on a temporary basis was that it has a unique expertese in the theraputic treatment process. Unfortunately. at that time, there were no employees of the D.Y.S. that were trained in this treatment modale. This, along with the fact that Transition did not have a building of their own available, resulted in our contracting with them, using a building to provide a program for the youngsters entrusted to our care. They are presently still dealing with twenty youngsters under a contract that is to expire June 30, 1973. However, both our Department and Transition feel that our arrangement should be extended until the end of September.

We have also provided space in the facility for the Tri-Town Counsel on Youth and Family Services, Inc. This consists of a program that is licensed by the Department of Mental Health to affect a service treatment for drug and alcohol abuse with new approaches to youth and family problems, legal realities, and a course in the local adult program at the high school. The use of one part of the facility has been allowed them on a very temporary basis. Please read the enclosed literature on this program.

The Bureau of Childrens Services established field offices in the building known as the "Cottage". It is the only building that is not connected to the rest of the facility. This was done through negotiations between the Bureau of Childrens Services, and the Department of Youth Services, with the approval of Secretary Goldmark. They assumed the use of the "Cottage" on February 12, 1973, the permanency of the arrangement has not been determined.

Despite the apparent conflict, one fact is evident. A private agency, Transitional Alternatives, Inc. has had the use and occupancy of the Topsfield facility since approximately October 1971, free of charge, with the Department paying an annual maintenance cost, as was stated earlier, in excess of $50,000.

What legal justification did the Department have for permitting this situation to originate and to exist for such an extended period of time? Departmental records are silent on this subject with one exception.

DYS, on May 24, 1973, entered into an agreement with Transitional Alternatives, Inc., a Massachusetts corporation with a home office in Brookline, to provide the following services:

1. Individual and group therapy
2. On the job training
3. Educational and vocational training
4. Social activities

The contract covered the period from July 1, 1972, through June 30, 1973, and provided that the Department would pay a fee of $139.91 per week per child for all Department children actually enrolled in the program up to a maximum of sixteen. It provided for an overall enrollment in the program of twenty-four youths, boys and girls, with eight youths being referred by the Department of Mental Health in accordance with that Department's contract with Transition Alternatives, Inc.

The agreement between the Department of Youth Services and Transitional Alternatives, Inc. was not approved as to form until June 6, 1973 and the rate to be paid for the services provided was not established by the Rate Setting Commission until October, 1973. This rate, however, was made retroactive to July 1, 1972. Payments were made for services provided under the terms of this agreement, which services were provided prior to the date of the agreement, as well as prior to the date of the establishment of a rate which is a condition precedent to any payment.[3] Such payments appear to be unauthorized and the subject matter of this agreement has been referred to the Attorney General for his consideration.

TRANSITIONAL ALTERNATIVES, INC.

This corporate entity was established under Massachusetts General Laws, Chapter 180, as a non-profit corporation. It officially came into existence, according to the records of the Secretary of State, on April 21, 1972.

The incorporators were listed as:

Harold L. Goldberg, M.D., 131 Rivard Rd., Needham
Augustino DeBaggis, 100 Prospect St., Marlborough
Bradley R. Carter, 11 Pine Tree, Pembroke
Kenneth Newell, 279 Boston Rd., Topsfield

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[3] Acts 1972, Chapter 514, Section 2, Account 4202-0021

The principal office of the corporation in Massachusetts is listed as 279 Boston Road, Topsfield.

It must be pointed out that the address listed for the corporation's principal office, 279 Boston Road, Topsfield, is also the address listed for one of the incorporators, Kenneth Newell. It must, likewise, be emphasized that this is the listed address of the Northeast Training Center and Residential Unit of the Department of Youth Services, a Commonwealth-owned facility. (Emphasis Added)

The President of this corporation is the above-referred to Kenneth Newell, who is the signatory, on its behalf, to the agreement with the Department, as well as to all invoices submitted to the Department for payment for services rendered.

John J. Connelly Youth Center, Roslindale Andros Program

Department emphasis was shifted somewhat in the case of the John J. Connelly Youth Center, Roslindale, from the total closing of an institution to the substitution of a private agency for a public one in operating a public institution. On August 9, 1972, a contract was entered into between the Department of Youth Services and the Boston

Mental Health Foundation, Inc., a private, non-profit corporation, to provide for rehabilitative treatment and custody of children entrusted to the state agency.

This program, called Andros, was covered by a contract for the period August 15, 1972, to August 14, 1973, and at first, supposedly was not going to cost more than $315,000, based on the custody of twenty-one youths at a rate of $288.46 each per week.

The Andros program was to be a maximum security intensive treatment unit using an Andros' definition for maximum security, designed to handle the "hard-core" offender who could not be placed in other less secure departmental programs. It was the most costly program initiated by DYS. Cost per youth was $15,000 a year.*

In addition to being operated in a state-owned facility without any overhead cost to Andros, the state also assumed responsibility for all food service, clothing, medical and dental services for those committed to the program, and all charges for utilities and other building maintenance and operation.

That portion of the facility not used by Andros continues to be used as a reception-detention center by the Department of Youth Services.

* Actual cost approximates $20,000 per youth.

The Andros program is discussed more fully in the purchase of service section of this report.

Stephen L. French Forestry Camp, East Brewster

Although previously covered in the Institutional History section, a basic overview of this program is in order.

The Stephen L. French Forestry Camp was opened in October of 1960 in the 1,777 acre Nickerson State Park in East Brewster, Mass. A converted hunting lodge served as the base from which sixteen and seventeen year old youths were disseminated through the park as a readily available labor pool. The boys policed the grounds, cut trails and, in general, performed simple maintenance functions.

Several factors contributed to the limited success of this program, namely the outdoor aspect and the lack of idle time of the participants. The drawback of the program appeared to have been the lack of any social rehabilitativeness.

As previously stated, the Department, under former Commissioner Coughlin, had begun experimenting with an innovative rehabilitative concept as far back as 1964. This concept of physical challenge was first introduced in England during World War II. Called the Outward Bound School Program, it consisted of individual physical challenge based on a reliance on group interaction, peer pressure and sharing, resulting in the group's attainment of a common goal.

During the years 1964 to 1970, the Department sent many youths to Outward Bound Programs in Colorado, Maine and Minnesota. The documented success of these programs provided the impetus for the institution of the Homeward Bound Program at the Stephen L. French Forestry Camp in October of 1970.

The two-phased program which eventually evolved contained the best elements of the original model developed in England as well as the Colorado, Maine and Minnesota programs.

An evaluation of the Homeward Bound Program, published in early 1973 by the Assistant Director of Administration of DYS produced the first solid statistics on any of the programs instituted following the reorganization of the department.

A fourteen-month follow up study was performed by the Assistant Director of 178 boys who had participated in the program as opposed to a control group of 75 boys who were at Lyman School. He concluded that:

> study demonstrated that 20.8% of the Homeward Bound Group recidivated (were recommitted) to DYS as opposed to 42.7% of the control group.

On the basis of statistics of this type, the Homeward Bound Concept operating at the Stephen L. French Forestry Camp must be judged as a programatic and rehabilitative success. Several simultaneous administrative and fiscal matters concerning forestry camps cannot be judged as equally successful, as noted below.

The department received a capital outlay appropriation of $900,000 in 1967 for the construction of a base lodge at the Stephen L. French Forestry Camp intended to accommodate 65 boys. A designer was selected and he submitted a design plan.

In January of 1971, Commissioner Miller rejected the plan because "the original design called for accommodating 65 boys. The latest thinking of Forestry Camp programs nationally dictates that this number be reduced dramatically." The designer was paid a total of $24,222.00 for his rejected plan.

The Commissioner, having rejected the design, proceeded to hire his own architect, whose salary of $100/day was paid out of an LEAA Planning Capability Grant. As Director of Facilities Development, one of the architects duties was to "Design and plan for construction of new, simple structures for department use, e.g., Forestry, Outward Bound, etc."

There is no evidence to substantiate that he ever submitted any design for the Forestry Camp. His salary was cut to $75/day and eventually to $311.60 per week. He received a total of $30,603 during his tenure as architectural consultant with DYS. He was terminated in March of 1973 for economical reasons by Commissioner Leavey.

On January 17, 1973, the Commissioner corresponded with the Commissioner of Natural Resources regarding the proposed construction project at the Forestry Camp. He stated,

> the construction is unnecessary, as present facilities are adequate for the needs of the Department of Youth Services Homeward Bound Program, and expansion of the program at this site is not planned. Further, it would be unwise to approve capital outlay for building an unneeded facility, given the state's committment to cut back its budget.

Six months later, however, he endorsed this same project in a letter to the Secretary of Human services, which read in part:

> The Department of Youth Services requests that construction of the Forestry Camp proceed as expeditiously as possible.
>
> We urge this action for the following reasons:
>
> 1. The programs offered at this facility have for many years been considered among the best, if not the best, in the department.
>
> 2. The existing structure presents serious maintenance problems and, in some ways, is inadequate for programs currently being conducted, especially in relation to safety and health factors.
>
> 3. The new facility will allow for program modifications which will enhance the service to the youth in residence at the camp.

At this writing, although plans have been drawn and the expenditure has been authorized, the base lodge has not been constructed and an expansion of a successful program has been thwarted.

Middlefield Forestry Camp

The Commissioner is given some latitude to establish additional forestry camps under Section 40 of Chapter 838 of the Acts of 1969. This section provides:

> "When funds are available for the purpose the Commissioner of Youth Services may ...
>
> (c) ...and shall establish, on land under the control of the Department of Natural Resources, or upon other sites approved by the Commissioner of naturál resources, forest or farm school camps to which children placed in the care of the department of youth services may be sent ...." (Emphasis added)

In September of 1971, the former Commissioner wrote to the steward at the Industrial School for Boys at Shirley advising him, "the Department has decided to open an annex to the Industrial School for Boys in Middlefield ... Please accept this letter as authorization to meet the expenses of the operation of this program."

The proposed annex to the Industrial School for Boys was to be located 109 miles away from Shirley. It is also noteworthy to mention that a similar notification may have been received by the Hampden County Detention Center inasmuch as liabilities incurred at Middlefield were eventually paid for out of the Hampden appropriation account.

Shortly after the September notification, numerous pieces of furniture and equipment were transferred from the closing institutions, Lyman, Shirley and Oakdale, to Middlefield.

A complete inventory of all equipment at Middlefield was undertaken on May 23, 1972. The majority of items which came from other institutions had already disappeared.

The following items had already disappeared from the camp prior to that date:

1 Typewriter
1 Sound Projector & System
1 Buffer, electric
1 Motion Picture Screen
3 Microscopes
1 Camera
1 Slide Projector
1 A. B. Dick Photo Copier
162 Books
31 Beds
48 Mattresses
1 RCA Stereo - 4 Speakers
1 Overhead Projector
1 Commercial Refrigerator
1 Ping-Pong Table
1 Aquarium
36 Chairs
2 Desks, Metal

On July 21, 1972, a memo was sent from the Department Business Agent to the Director of Administration advising him that the Assistant Director of Region One had authorized the transfer of the freezer and refrigerator sent to Sunset Farm Youth Home. It is noted that:

1) The Assistant Director was a non-employee of the Commonwealth compensated out of federal funds.
2) The Assistant Director and the Director of Sunset Farm serve jointly on the Board of Directors of at least one corporation.
3) Rules and Regulations Governing Purchasing which were established pursuant to Section 22, Chapter 7 of the General Laws provide:

> 12 ... whenever possible, material, supplies, equipment and other property for which there is no further use, shall be sold, transferred or otherwise disposed of to the best interests of the state, either by the state purchasing agent or under his specific authorization.

According to the business agent for the Department, no request for authorization was ever transmitted through him to the Purchasing Agent.

In an attempt to determine the exact amount of liabilities incurred at Middlefield, a request for this information was made to the Commissioner. He responded on October 3, 1973:

> There is no discernible way to list the dollar expenditure for Middlefield Forestry Camp because at its inception expenses were taken out of the Shirley and the Westfield Account. There is a list of outstanding bills at our fiscal office at 14 Somerset Street, but nothing as to money expended.

An examination of the outstanding bills showed a total of $2,800.46 of incurred liabilities for which there were no funds available to make payments.

The Middlefield Camp was finally closed on September 20, 1973 after having illegally incurred and made an unknown number of expenditures without authorization by way of appropriation.

PERSONNEL ABUSES

PUBLIC EMPLOYEES WORKING FOR PRIVATE AGENCIES

OTHER PERSONNEL PRACTICES

EXECUTIVE RESPONSE

FEDERAL EMERGENCY EMPLOYMENT ACT

PERSONNEL ABUSES

The DYS payroll records indicate that, as of June, 1973, 841 individuals were receiving compensation as employees although the Legislature had authorized only 818 positions. These employees were assigned as follows: central office administration, 104; regional offices, 190; and various institutions 547. These figures, became significant in view of the fact that most of the DYS institutions had been closed and the Legislature had not, at this point in time, authorized the establishment of regional offices. (See Exhibit E)

Directing its attention to the personnel section of DYS, the Post Audit and Oversight Bureau found that it had, in effect, a non-functional role -- employee application forms were not required, payroll and other records were decentralized, no civil service examinations had been held since reorganization, and over 90 percent of the Department's employees were working outside their proper classifications. The practices engaged in by DYS in the personnel areas of hiring, promotions, transfers and record-keeping have been chaotic. The personnel abuses involved cover the complete spectrum of employees, from the Assistant Commissioners to cooks in the institutions.

DYS, under the absolute control of the Commissioner has, since its reorganization, violated most, if not all, of the rules and regulations of the Division of Civil Service and the Bureau of Personnel.

Public Employees Working for Private Agencies

Upon the closing of its institutions, DYS found itself with a large number of employees with job classifications unneeded in the innovative group care program. The majority of these employees, who were considered to be excess personnel, functioned previously as juvenile and assistant juvenile supervisors. Many of them possessed the knowledge and experience necessary to successfully run small self-sufficient residential settings for juveniles, but operation of the small residential care units coming into being were to be contracted out to private organizations. While the Department did not want these men and women as state employees, it assisted and sometimes propelled them into the new private group homes, where they were in demand because the private homes lacked the necessary expertise in the field of supervising and caring for juvenile delinquents.

With the Department's knowledge and assistance, juvenile supervisors went to work for the following private agencies while continuing to be paid by the Commonwealth:

Robert F. Kennedy Action Corps
Community Advancement Program
Ester House
Youth Resources Bureau
Inter Faith Group Home
Madonna Diagnostic Center
Camp Dorchester, Canton
Sunset Farms Youth Homes
Massachusetts Transition
Group Ways, Inc.
The Bridge

In at least three of the above homes, the state employees were given extra compensation by the private agency, which raised one of many legal questions concerning their employment. The law prohibits state employees from obtaining a second salary from an outside source during their normal working hours for the state. In at least one case, a state employee headed a home for a private agency and engaged in negotiations with a state agency other than DYS to provide residential care for youths under the jurisdiction of that agency.

The practice of assigning state employees to work in private agencies is in violation of the rules and regulations established by the Bureau of Personnel. This was compounded by the possibility of violations of the conflict of interest statute as regards state employees negotiating with state agencies.

This entire practice was abolished in late June of 1973, many months after the resignation of Commissioner Miller, when the individuals involved were given the choice by DYS of returning to the Department or terminating employment with the state and staying with the private agency.

OTHER PERSONNEL PRACTICES

Another problem facing the Commissioner, as DYS institutions were closed, was the placement of other employees of those institutions who were either under civil service or had been granted tenure in accordance with the reorganization statute. In either case, these employees could not be terminated except for cause after a hearing.

Accordingly, various alternatives were offered to this group by the Commissioner which included working in a regional office, becoming a foster parent for DYS children, or, as has been previously mentioned, being assigned to a private agency, all the while retaining state employee status.

The opening of regional offices, which will hereinafter in this report be referred to as regionalization, was accomplished by the Commissioner with federal funds and in contravention of statutory authority and their malfunction was one of the primary causes for the chaotic condition of DYS which ensued. This malfunction will be detailed elsewhere in this report.

The arbitrary designation of certain "excess" DYS employees as foster parents has no justification in law or regulation. These state employees were permitted to remain at home and received full weekly compensation, as well as allowances for the foster child or children in their homes.

The following examples from the Table of Organization, as of April, 1973, indicates clearly the violation of state personnel regulations by this agency.

DEPARTMENT OF YOUTH SERVICES

TABLE OF ORGANIZATION

FACILITY	STATE TITLE	JOB #	FUNCTION
REGION I			
	Juvenile Supervisor	0251	Holyoke Boys Club
	Juvenile Supervisor	0174	Holyoke Boys Club
	Juvenile Supervisor	0258	Genesis II
	Juvenile Supervisor	0134	Genesis II
	Juvenile Supervisor	00223	Sunset Farms Youth Homes
	Institutional School Teacher Assistant	0140	Statistics & Placement
	Juvenile Supervisor	0089	Sunset farms Youth Homes
REGION II			
	Institution School Teacher	0160	Case Worker
	Supervisor of Training and Education	0343	Court Liaison Director
	Psychiatric Social Worker	0285	Court Liaison
	Institution School Teacher	0154	Youth Resources Bureau, Worcester
	Senior Juvenile Supervisor	0312	Transportation
	Motor Truck Driver	0273	Foster Parent
	Senior Juvenile Supervisor	0225	Foster Parent
	Senior Juvenile Supervisor	0326	Community After-Care Director

	Senior Juvenile Supervisor	0307	Transportation and Car Maintenance
	Juvenile Supervisor	0218	Foster Parent
	Assistant Juvenile Supervisor	0073	Community After-Care Secretary
	Juvenile Supervisor	0242	Community After-Care Supervisor
	Juvenile Supervisor	0281	Ester House Supervisor
	Assistant Juvenile Supervisor	0024	Ester House Supervisor
REGION III	Superintendent, YSB	0336	Co-ord. of Volunteers
REGION IV	Junior Clerk-Stenographer	0164	Juvenile Parole Agent
	Junior Clerk-Stenographer	0165	Juvenile Parole Agent
REGION V	Principal Juvenile Supervisor	0132	(1/2) Secretary
REGION VI	Juvenile Supervisor	0016	Case Worker Placement Worker
	Senior Juvenile Supervisor	0327	Inter Faith: Group Home Director
	Juvenile Training Counselor	0264	Hyde Park House
	Senior Juvenile Supervisor	0318	Hyde Park House
	Assistant Superintendent of Parole	2100	Team Leader
	Senior Clerk Typist	9027	Placement Supervisor

REGION VII	Juvenile Supervisor	0239	Assistant Regional Director
	Institution School Teacher	0150	Program Evaluator
WAYSIDE UNION	Juvenile Supervisor	0234	Cook
	Juvenile Supervisor	244	Cook
	Assistant Juvenile Supervisor	0077	Transportation and Maintenance
	Juvenile Supervisor	0236	Cook
RTU OAKDALE	Assistant Juvenile Supervisor	0082	Night Watchman
	Assistant Juvenile Supervisor	0099	Night Watchman
	Assistant Juvenile Supervisor	0087	Watchman
	Assistant Juvenile Supervisor	0086	Maintenance Watchman

There are many other instances of such violations contained in the support files of the Post Audit and Oversight Bureau.

As stated earlier, two separate studies by private consulting firms in 1971 were highly critical of DYS personnel practices. The first, conducted by R. W. Meier under contract to the Governor's Public Safety Committee, found that the personnel office was inadequately staffed, payroll and other records were fragmented, and concluded that a full-scale study of personnel management was needed. The second, conducted by Peat, Marwick, Mitchell & Co., for

DYS with funds received from the same Governor's Public Safety Committee, recommended a centralization of all personnel records and a clarification of the status of all employees.

The recommendations in these reports were never implemented and personnel records through the end of calendar year 1973 were less centralized than they were when these reports were issued. As a matter of fact, subsequent to the commencement of this study by the Post Audit and Oversight Bureau, DYS commenced the process of compiling an index card system containing the names and assignments of its employees.

It is extremely difficult to track the movement of DYS personnel because of continued violations of the rules and regulations established by the Bureau of Personnel in the Executive Office for Administration and Finance.

Executive Response

A series of internal memoranda from the Bureau of Personnel to the Office of the Commissioner of Administration during 1972, highlights the problems being encountered by the personnel analysts handling DYS staff as the result of DYS personnel practices.

As a result of a visit to Wayside Union, a DYS facility in Framingham, on May 22, 1972, analysts in the Bureau of Personnel stated in a memorandum:

> It is our judgement that the arbitrary assignment and transfer of positions without regard to staffing and staffing patterns approved by the Bureau (which has become a practice in the Department of Youth Services) has and will continue to precipitate many personnel problems and inequities that are in direct violation of the classification and pay plan as well as proper personnel procedures and practices.
>
> Another problem that came to light out of discussions held with staff members of the Department of Youth Services is, that certain practices currently in effect, allows the hiring of employees without any prior approval from the Bureau of Personnel or even "clearance" from the Personnel Department of the Department of Youth Services. This is contrary to the established personnel policies as well as the "austerity" policy as set forth in Administrative Bulletin 71-19 and subsequent Bulletins. Further, this practice is allowed to continue even though it conflicts with the guidelines set up by the Department of Youth Services via a letter sent out under the signature of Commissioner Miller, dated February 4, 1972 ...

This memorandum was forwarded to the Commissioner of Administration on June 28, 1972, by the Director of Personnel. A copy was also sent to the Deputy Commissioner of Administration for Personnel.

On November 9, 1972, a second memorandum was sent to the said Deputy Commissioner by the Director. It was related therein that:

> ...it was agreed at a meeting with Commissioner Miller in July that we would be provided with a staffing pattern for each facility within the Department of Youth Services. These have never been received. At a later meeting with DYS officials in October, it was agreed that a staffing pattern for the Judge Connelly Detention Center in Roslindale would be immediately forthcoming so that we could decide on the release of requisitions for that institution. To date that staffing pattern has never been received.

An agreement between DYS and the Bureau of Personnel was made at a meeting several days prior to the issuance, which was summarized in the following paragraph:

> It was further agreed that if no staffing pattern is received from the Department of Youth Services for Roslindale, we will continue to hold the requisitions unless requested to do otherwise by the Commissioner of Administration and Finance. If the Secretary of Human Services and the Secretary of Administration and Finance wish the Bureau of Personnel to give the Department of Youth Services carte blanche in the filling of requisitions until the Governor submits the reorganization plans for that department, we will, of course, do so. However, such action will result in numerous misclassifications, many of which are obvious even without the availability of a staffing pattern. Misclassifications will create obstacles in the achieving of proper classification and staffing after adoption of the new organization and will increase the number of employee appeals, and complaints from the employee organizations. (Emphasis supplied)

This latter memorandum clearly indicates an abrogation of responsibility by the Director of Personnel, the Secretary of Human Services, and the Commissioner of Administration because staffing patterns have never been provided and misclassifications are still the general rule. Accordingly, it must be assumed that "carte blanche" was granted.

FEDERAL EMERGENCY EMPLOYMENT ACT

The Federal Emergency Employment Act (EEA) of 1971 funneled money into the Commonwealth in order to facilitate the hiring by state agencies of unemployed people in various categories such as Vietnam era veterans, minority group members, welfare recipients, and ex-offenders, or disadvantaged persons. In addition, the beneficiaries had to live in certain designated areas within the state. The entire program was administered by the Executive Office of Manpower Affairs which channeled these funds into various state agencies, including DYS.

From such funds DYS hired fifty-two people of which twenty-four were ineligible because that agency failed to adhere to requirements of the federal law. This determination was made as the result of a joint audit conducted by the Office of Manpower Affairs and the U. S. Department of Labor.

DYS's failure, once again, to follow the law resulted in the illegal expenditure of funds which constitutes a debt which the Commonwealth owes to the federal government.

Based on the results of a Federal Department of Labor Audit of the EEA expenditures made by DYS, it has been determined that approximately $60,000 was expended in violation of the apportionment provision. Negotiations are presently going on in an attempt to reimburse the federal government. The Department is seeking to repay the $60,000 in in-kind services rather than in cash as is preferred by the federal government.

Summary

The Department chose to bypass existing Civil Service and the Bureau of Personnel rules and regulations on hiring and classification of employees. The failure to require applications allowed the Department to be staffed with a number of individuals who have not qualified for positions they hold or might have been illegally employed since they have criminal records.

The department has not centralized the personnel records as recommended by two studies, nor has it initiated a complete study of its personnel administration.

Joint responsibility for the personnel problems in the Department rests with the Department, the Division of Civil Service, the State Bureau of Personnel, and the Secretary of Human Services.

A high percentage of individuals employed by the Department, especially in top grade positions, failed to meet the qualifications necessary to fulfill their jobs.

Department employees, assigned to work for private agencies, negotiated with state agencies on behalf of the private agencies. This very possibly could be in violation of the Conflict of Interest Statute.

Under Commissioner Miller, civil service examinations were done away with, along with employment application forms, therefore individuals were hired without any actual personnel records being kept.

Over ninety percent of DYS's present employees are working outside of their job classification.

Though the Department has stated that they have from 400 to 500 excess employees, this study shows that 75 individuals were newly hired between January and June, 1973.

The Department has expended approximately $60,000 in violation of the apportionment provision of the Federal Emergency Employment Act of 1971.

PURCHASE OF SERVICE

RESIDENTIAL TREATMENT PROGRAMS

ANDROS PROGRAM, JUDGE CONNELLY YOUTH CENTER, ROSLINDALE

LOW HILLS SCHOOL, INC., RIVENDELL SCHOOL

XENDELPHIA, INC., D/B/A, HYDE PARK HOUSE

OTHER PROGRAMS

AFTERCARE OR NON-RESIDENTIAL COMMUNITY-BASED PROGRAMS

FOSTER CARE PROGRAMS

PURCHASE-OF-SERVICE

DYS "Strategy for Youth in Trouble," as outlined earlier, envisioned, as alternatives to institutionalization, a three-pronged community based approach to juvenile rehabilitation. This consisted of residential treatment, after-care and foster care programs run by private agencies under agreements with DYS. It was contended that these programs would provide better quality service to youths at less cost to the Commonwealth, and would result, hopefully, in a vastly decreased rate of recidivism.

A. RESIDENTIAL TREATMENT PROGRAMS

The prime element in the DYS plan for deinstitutionalization was a privately operated, community-based residential treatment program. This entailed the substitutions of proprietary group homes for public institutional care and custody.

The concept of group homes is not a new one. Some were in operation long before deinstitutionalization was commenced. Their increased use was novel to DYS, however, and was necessitated by the abrupt closing of departmental institutions.

In order to effect a rapid transition from institutional settings to group home use, DYS sought and received federal funds from the Governor's Public Safety

Committee which were to be used to compensate private group home operators. This was necessary because DYS had never requested funds for this purpose from the Massachusetts Legislature, nor had the Governor previously recommended such appropriations.

It was the preconceived idea of DYS that, once the group home program had been instituted with federal funds, state funding could, of necessity, be obtained even though approval for the closing of institutions and the transition to group home care had never been sought from the Legislature by DYS. It was the intention of DYS, likewise, that state funds, which had been appropriated for personnel at the various departmental institutions, would be used for group home payments once the institutions were closed and the services of those employees were terminated. This indicated a total unfamiliarity by the DYS hierarchy with the laws of the Commonwealth relative to appropriations, personnel, and civil service.

There were several goals established by DYS that, generally, defined the results sought to be achieved through the use of group homes. They were basically centered on the concept of utilization of community resources in the treatment process, which, according to the agency would:

1. provide continuity in residential treatment, family counseling, and aftercare counseling.

2. provide short-term (3 or 4 months) intensive treatment to youths who would then be able, with varying types and degrees of supervision and services, to return to their own home or move to a foster home for individuals or small groups.

3. provide more relevant and effective counseling and treatment to youths and their families. By treating youths in their own community, the staff is more aware of and involved in the setting and family conditions that led to delinquent behavior and, therefore, better able to counsel the youth and help him and his/her parents during and after completion of the residential program.

4. provide a greater sense of local responsibility for meeting the needs of delinquent or delinquent prone youths through the involvement of the residential units' staff and local agencies, police, schools, and municipal officials. Through personal experience the staff will develop an awareness of the particular needs of the youths in the community and the particular strengths and weaknesses of community agencies and resources.

5. avoid the negative effects of institutionalization by diverting youths from DYS institutions and allow DYS institutions to be closed.

In addition, DYS claimed that better quality of service could be provided to youth at a lower cost to the taxpayer.

Due to the number of DYS group home placements, it was impractical to survey all homes in use. With this in mind, the Post Audit and Oversight Bureau staff, using LEAA audit materials and DYS evaluation reports as sources of information, sought an overview of the performance and problems encountered in the group home area as evidenced by the operation of the homes receiving the largest dollar payments.

Case Studies

While it is impossible to measure accurately the infinite constituents of the term "quality of service," the following examples of private agency services which were uncovered in the course of this study proved that the predicted improvement in care was not universal among the community-based units of the program.

The following cases were developed from audits conducted by auditors for the Governor's Public Safety Committee and by the staff of the Post Audit Bureau:

Andros Program
Judge Connelly Youth Center, Roslindale

The most expensive of the residential treatment programs inaugurated by DYS under its purchase-of-service agreements with private agencies was the so-called Andros program conducted at the DYS owned Judge John J. Connelly Youth Center in Roslindale.

The program was commenced in February, 1972 between DYS and the Human Resources Institute, a proprietary corporation of Boston. Due to circumstances which are impossible to ascertain, the agreement was nullified by mutual consent of the parties within seven months. Almost simultaneously, DYS contracted with the Boston Mental Health Foundation Inc., also a private agency, to conduct this program at the Connelly Center. During the seven month period of its agreement with DYS, Human Resources Institute received $116,003 in payments from DYS.

The agreement with the Boston Mental Health Foundation Inc., continued through November, 1973, when it was terminated. DYS immediately signed a contract, dated December 1, 1973, with a new corporation, Andros Human Development Foundation, Inc. to continue the program. This corporation, according to the records of the Secretary of State, came into existence on July 1, 1973.

It costs the Commonwealth approximately $15,000 per year per bed authorized for the program. This charge to the state is augmented under the contract between Andros and DYS. The state agency provides the private corporation with a state-owned facility, guarantees to pay for all maintenance and utilities, feeds and clothes the juvenile offenders in the care of Andros, and provides all medical and dental care. A closer estimate as to the annual cost per child at the institution would be a figure approximating $20,000.

Andros is an involuntary program designed to handle the "hard-core" offender in a maximum security setting, and all referrals from DYS are accepted with the exception of youth with medical problems and/or severe mental problems. Records for each youth admitted to the program are forwarded from the DYS regional office involved. The contents of these records, according to Andros' staff, are generally inadequate.

The major goal of the Andros program is to change the attitude of the youths involved so that they may re-enter society as effectively functioning members thereof. The Andros program, while physically occupying the first and second floor of the Judge Connelly Youth Center, is run separately and apart from any other program located at the Center, except that it does share recreational and cafeteria facilities. The remainder of the facility is a state operated DYS reception-detention center. Programming is scheduled so that there is no mixing of Andros youths with any other youth in residence at the Center.

The Andros admissions interview is generally handled by a staff psychiatric nurse, who decides if the youth requires additional medical-clinical attention. This procedure may occur at an outside institution where a youth has requested a changed placement to the Andros program.

At the outset, the youth is given an immediate understanding of the three basic rules of the Andros program: 1) no sex; 2) no violence; and, 3) no narcotics of any kind. The theory of the program is that the youth's stay at Andros should be structured into various achievement levels. The first is a thirty-day orientation period in which the youth is not allowed off the grounds for any reason whatsoever. Gradually, through both group and individual counseling and observation, the youth progresses to closely supervised group outings, individual outings, unsupervised weekend passes, and finally four consecutive ten-day passes with a twenty-four hour interval between each, during which the soon to be paroled youth is required to lead and direct a group of youths who are lower on the achievement scale.

On the day-to-day level there is one activity that is mandatory - "Community Group" - a group counseling and therapy exercise. After Community Group and lunch, the residents have a choice of various activities; but one must be chosen. Activities available are swimming, basketball, occupational therapy, tutoring, or lectures on various subjects. Aside from the above mandatory choices, free time is made available for such things as communicating with home, Ping-Pong, cards, or small group discussions. In addition to the structured programming, a youth may approach any counselor at any time to discuss any matter that is presenting problems for the youth. Youths involved in the program are paid cash allowances ranging from $5 to $10 per week, the sum based on the geographic location of the youth's home and on the plateau to which the youth has progressed.

An evaluation of the contract between the Boston Mental Health Foundation, Inc. and the Department of Youth Services by staff members of the Post Audit and Oversight Bureau revealed the following:

1) The Boston Mental Health Foundation guaranteed that staff assigned to the program would have expertise in the field of treatment and therapy of socially and psychologically maladjusted children. The word "expertise," as used in this instance, had something less than its generally accepted connotation in that specific qualifications were not required and, too often, not possessed. Many of the staff members were former prisoners in Massachusetts correctional institutions.

2) The original contract called for twenty-six staff positions and was amended to include an additional thirteen staff positions and three consultants to Andros. The following chart details these positions and the salary of each:

STAFFING OF ANDROS PROGRAM

NO. PER CONTRACT	NO. PER ADENDUM		SALARIES	AMENDED SALARIES
1		Director	$13,000	
1		Ass't Director	11,500	
1		Psychiatric Nurse	10,500	
1		Aftercare Manager	10,500	
1		Court Liaison	9,500	
1		Health & Recreation Spec.	9,500	
1		Teacher	9,500	
1		Admin. Coordinator	9,500	
1		Medical Secretary	7,200	
3	3	Floor Super. (9,000)	27,000	$27,000
3	3	Asst. Floor Supervisors (8,500)	25,500	25,500
6	6	Floor Counselors (8,000)	48,000	48,000
5	5	Asst. Floor Counselors (7,200)	36,000	36,000
	1	Shift Liaison		10,000
	(2)	Half-time Psychiatric Residents	Consultant	
	(1)	Legal Consultant	Consultant	
26	13	Totals	$227,200	$146,500

3) The contract originally called for the treatment of twenty-one male children between the ages of seven and seventeen and was expanded to cover an additional fifteen children, which brought the total to thirty-six slots for children. These children would be either committed to DYS by the courts or have been referred to the program by that agency from another placement setting.

4) Relative to treatment of children, the Foundation was solely responsible for providing the following: psychological and social assessment, group and individual therapy, psychiatric care, educational, social, cultural and recreational activities and individual tutoring. This was the extent of the treatment received by the children with DYS having no treatment role.

5) The operation of the program was divided between DYS and the Foundation. The state agency's obligation, primarily, was to provide facilities (the first and second floor of the Judge John J. Connelly Youth Center) complete food service, clothing and toilet articles, all utilities, maintenance and housekeeping, including materials and supplies, recreational facilities and medical and dental services. Thus, DYS, while not playing an active part in the program operation made a huge investment in terms of providing facilities and tending to the physical needs not only of the building but also of the children involved in the program.

The Foundation, for its part, in addition to the treatment services enumerated in part four above, was contractually charged with "complete responsibility for the direction and supervision of the ...program" and "for implementing the program by providing supporting staff and consultation positions in addition to staff as outlined in [part 2 above]." This responsibility was in some degree contractually delegated in that the final responsibility for all program decisions and all administrative and final supervision, including the responsibility for hiring and firing and liaison duties, was given to the Director of the program who was answerable directly to the Foundation, both through the latter's complete responsibility for "direction and supervision" and further as an attendant facet of the employer-employee relationship. Thus, contractually, the Foundation was the party to whom DYS looked concerning any operational matters.

In addition to the responsibility factor, the Foundation was also required to pay for administrative costs, an aftercare program, communication costs, adequate psychiatric consultation, and transportation.

6) Compensation to the Foundation was originally set at the rate of $288.46 per bed per week which was based on twenty-one beds at $15,000 per bed annually. This was later amended to include an additional fifteen beds at the rate of $293.21 per bed per week which was based on fifteen beds at $15,247 per bed annually. The state Rate-Setting Commission approved the rates retroactively.

Since payment is made for beds available and not for actual occupants, the Foundation receives its compensation regardless of whether or not the beds are occupied. On the date of the visit by Post Audit and Oversight Bureau staff members, the Andros program was carrying twenty-nine youths on their attendance sheet with seven empty slots.

An analysis of payments made to the Foundation disclosed a total of $568,785.96 for the period September, 1972, to October 9, 1973. Since November, 1972, the billings were for thirty-six beds at a rate of $290 per bed per week.

7. The contract provided, "No expenditures shall be made by the Department for residential services under this contract unless the rate setting commission ... shall have approved the rate of compensation for said residential care." The Rate Setting Commission was contacted to determine if a residential rate had been established for this program. The Commission replied, under date of September 21, 1973, as follows:

> This Bureau has never received a request that the Rate Setting Commission establish a rate for the Boston Mental Health Foundation, Inc., dba Andros from any department or agency of the Commonwealth.

Therefore, the payments of $568,785.96 were made in violation not only of the terms of the contract, but also the law, and should not have been approved for payment by the Comptroller's Division. This Division was notified of the situation and replied that corrective action would be taken.

An expenditure breakdown per the original contract and the amendment to the contract resulted in the following budget expenditures:

	ORIGINAL	AMENDMENT	TOTAL
Salaries	$227,400	$146,500	$373,900
Fringe Benefits	51,360	29,300	80,660
Communications	4,800	1,200	6,000
Psychiatric Consultation	8,320	25,000	33,320
Allowances	5,460	7,800	13,260
Transportation	17,660	---	17,660
Special Events	---	900	900
Recreational Equipment		8,000	8,000
Educational Equipment		10,000	10,000
	$315,000	$228,700	$543,700

This total of $543,700 was to cover the period August 15, 1972, to August 14, 1973, and was on a weekly extension after that date. This figure was increased to $568,785.96 as of October 9, 1973, and payments continued through November, 1973.

A review of the financial records maintained by the Boston Mental Health Foundation, Inc. disclosed that cash receipts for the Andros program were grouped together with other programs under the Foundation's control, and disbursements were treated in a similar manner, all being made out of one checking account. Expenditures were not recorded in the disbursement journal by category, which made it difficult to determine if the program was functioning within budgetary limits as set down in the contract. DYS did not supply the Foundation with requirements or assistance as to how the financial records were to be maintained and did little to monitor this program from a financial standpoint. The internal auditor for DYS, after one brief visit to the Foundation, prepared a memo for the Director of Administration for DYS stating that the Andros accounting system is "atrocious" and, "it is virtually impossible to maintain decent budgetary control." DYS has made no attempt to correct this situation.

The Post Audit and Oversight Bureau found that the Foundation charged an amount of $44,619 in overhead costs based on a percentage of payroll and fringe benefits and not on actual overhead expense.

The bookkeeper for the Foundation was able to develop a total of $7,880.35 for overhead expenses which included such items as telephone, legal fees, bank charges, stamps, stationery, etc., which left a surplus of $36,738.65 in the overhead account which the Foundation claims to use to subsidize other mental health programs under their control. Thus, funds appropriated for DYS purposes are being used to subsidize private mental health programs with the consent, at least impliedly, of DYS.

An amount of $12,160 was disbursed by the Foundation to the program to cover allowances to youths in the program. Neither the Foundation nor DYS required an accountability of such expenditures or a list of who is receiving an allowance and it was found that some youths received an allowance from the Andros program and at the same time received an allowance authorized by the Commissioner of DYS from a departmental mechanism called a Board and Allowance account. The operation and ramifications of this account will be discussed in a subsequent chapter.

Many other questionable items were found in examining the Foundation's records, such as petty cash disbursements with no substantiation, payment for parking tickets and excessive telephone charges.

At this point in time, the Andros program is the only maximum security setting that DYS has for committed youths who, even that agency will admit, are either "hard-core" recidivists or unable to accept other placements. The extent of maximum security available at this location will be outlined in a subsequent chapter entitled, "Runaways and Deaths."

Summary - Andros Program

1. The Boston Mental Health Foundation was negligent in fulfilling its "complete responsibility for direction and supervision" of the Andros program. The Foundation did not closely monitor the program and acted primarily as a disbursement agent for the program.

2. The Foundation did little to control expenditures of the program and simply paid invoices as submitted by the program Director.

3. The Foundation charged overhead for administering the program in the amount of $44,600 of which $36,000 was found to be surplus per the bookkeeper's records.

4. The Foundation disbursed petty cash funds without requiring that vouchers be submitted to substantiate such payments.

5. The accounting records maintained by the Foundation are not sufficient to reflect contractually established budgetary guidelines.

6. The Department (DYS) has done nothing to monitor the financial records of a program which has cost in excess of a half million dollars.

7. The Department has established no requirements as to how financial records are to be maintained and has not required the reporting of financial data in order to monitor the program.

8. The Department had not requested a rate from the Rate Setting Commission and disbursed an amount in excess of $500,000 in violation of specific budgetary language, Chapter 514, Acts of 1972, and Chapter 7, Section 30L of the General Laws.

9. Prior to the involvement of the Boston Mental Health Foundation, the Andros program was operated under contract with Human Resources Institute, a corporation for profit, which is in clear violation with Chapter 18A Section I of the General Laws.

10. The contract with the Boston Mental Health Foundation called for the Foundation to bill the Department on the basis of the number of beds available and not on actual attendance. A recent visit to the Andros facility disclosed only twenty-nine of thirty-six beds being utilized.

Low Hills School, Inc., Rivendell School

DYS first used the facilities of this corporation, located in Acton, Mass., as a boarding school in August, 1971, with the placement of one youth. It should be noted that the School Committee of the Town of Acton gave tentative approval to this school to operate as an educational facility on July 26, 1971.

Early in 1972, DYS requested that the state Rate Setting Commission establish a rate for residential care at the Low Hills School, Inc. in Acton, Mass. At that time, the Rate Setting Commission was establishing emergency rates based on the existing charges that state agencies were paying vendors.

Low Hills School, Inc., was awarded a rate, as a boarding school, of $683.67 per month per resident. The backup material to support this rate listed a staff of "8 - 11 teacher counselors" and the educational program was described as an alternative school specializing in programmed learning techniques.

The Department listed Low Hills School, Inc. on its placement inventory as a "very loose, academic system which is accredited." The same corporation maintained a second school -Rivendell, in Loudon, New Hampshire.

Research revealed that Low Hills School, Inc., has never been incorporated in the Commonwealth as a non-profit, charitable corporation. Since it was not non-profit, the Department appears to be in violation of Chapter 18A, section 1, of the Massachusetts General Laws which authorized the Department to purchase services from private, non-profit agencies.

The statement that the school in Acton was accredited cannot be traced to its source, but the New England Association of Schools and Colleges advised the Post Audit Bureau that neither the Acton nor the New Hampshire School ever was accredited. The Acton School Board, as stated earlier, gave tentative advance approval to the school in that town for the 1971-72 school year, subject to an extensive review at the end of the first year. This was never done inasmuch as the school closed before it could be reviewed.

Shortly after receiving an emergency rate, problems began developing at both the Massachusetts and New Hampshire locations. On May 4, 1972, a memorandum was sent to the Director of Region III (Concord) by a juvenile parole agent. The crux of the memo was that the parents of a DYS youth visited their son at the Low Hills School, a co-ed facility. The parents observed several girls walking around in transparent nightgowns without bathrobes; and, in conversation with their son, they were advised that he had contracted venereal disease from one of the juvenile girls at the school.

On May 5, 1972, the Regional Director sent the following memo to the Assistant Commissioner of the Bureau of After-care.

> TO: Assistant Commissioner of the Bureau of After-Care   DATE: May 5, 1972
>
> FROM: Region III Director Re: Low Hill School
>
> I am attaching this memo to the report prepared by .... because I think that we have to make some basic decisions regarding continued use of Low Hill School.
>
> Since there is indisputable evidence of V.D. at the school and since we already have one mother of a boy placed there ...... who is irate over the fact that he was infected at the school, I would recommend that we insist on segregation of sexes. I am fully aware of the value of a co-ed program as opposed to a segregated program but I don't think the department, Commissioner Miller or this regional office can afford to continue to support what I consider to be a poorly administrative program at best, and a real threat to the well being of Department of Youth Services youngster at worst.
>
> Until further notice, I shall not make any additional referrals to Low Hill School. I believe we should make preliminary plans to withdraw the D.Y.S. youngsters presently there unless there is segregation of sexes and a general tightening up of administration of Low Hill School by their staff.
>
> I believe this matter requires your immediate attention and I shall await your advice.
>
> Sincerely,
>
> SIGNED
>
> Regional Director

Despite the seriousness of the allegations, DYS failed to act and the youths remained there until the school was finally evicted from its site. Based on the report which precipitated the Regional Director's letter similar problems were found to exist at the New Hampshire location.

Early in 1973, DYS finally shut off the Rivendell School for referral purposes. Following negotiations, the school was reopened to referrals, and subsequently, in November, the school was closed.

For the period 7-1-71 to 6-30-73, the records of the state Comptroller revealed that the Department of Youth Services authorized payments of $210,531.96 to Low Hills School, Inc., c/o Rivendell School, RFD, Concord, New Hampshire.

On or about the middle of November, 1973, the Governor of New Hampshire and numerous other New Hampshire state officials visited the Rivendell School. It was described by them as "a masquerade," "something out of a Charles Dickens novel," and "a completely permissive setup."

The living conditions were described as follows:

> Female students at the school are housed in a half burned out prefab building in a cow pasture nearly a half mile from the main building, a colonial farmhouse that serves as living quarters for staff members.
>
> Two boys are housed in the cellar of the main house and others sleep in uninsulated, unpainted eight-by-ten foot wood shacks. These tiny buildings have built-in upper and lower bunks for two youths. A pot bellied wood stove, which the boys must tend themselves, provides the heat. There is no plumbing

> of any kind in these dwellings. Blankets are tacked to the walls to keep out the wind coming from wide cracks in the unfinished interior.
>
> A visit to the school's only classroom, a small cubicle in the barn, revealed an almost total lack of any educational material. The house mother revealed the reason for this.
>
> She said she isn't a teacher but said there are no accredited teachers at the school and she does teach some classes.
>
> She stated there is only one class a day and it is held from 10 to 11 a.m. for those students who want to attend.
>
> 'It's hard to get them to go to class. We can't force them because it would defeat the philosophy of the school. We teach them whatever they want to learn,' she said.[1]

Inasmuch as DYS youth were in residence when this "school" was closed by order of the Governor of New Hampshire, we can only assume that, had the Governor not so acted, the youths would still be there.

Xendelphia, Inc., d/b/a Hyde Park House

Shortly after the closing of Bridgewater in November of 1970, DYS leased a three-story building at 387 Hyde Park Avenue, Roslindale, from the state Department of Public Works. This building, along with others in the area, was purchased by the state to be demolished to make way for the Southwest Corridor.

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[1] Manchester, N. H., Union Leader, November 20, 1973.

Shortly after leasing the building, DYS opened its own residential treatment program on the site, and designated it as Hyde Park House. This residential center was DYS's first effort to conduct a program of its own and was intended to be a model half-way house for delinquent youths in anticipation of its forthcoming drive to close departmental institutions. This home was intended to serve as a training location for private agency and DYS personnel who eventually would staff a series of half-way houses throughout the state.

The residential program, limited to between twelve and fifteen males, was modeled after several self-help-type programs which had proven successful in other parts of the country, namely, Synanon, Daytop, and Marathon House.

The structured environment which Hyde Park utilized was supposed to force youngsters to learn to deal with stress without acting out their anxieties. At the time of this audit, the Department no longer staffed or leased the facility.

Sometime in June of 1973, DYS advised its six employees located at Hyde Park House of its intention to close the facility as a Department operated unit. The exact reason for this decision has not been substantiated, but it would appear that the following independent and questionable actions of some of the staff were contributing factors.

On November 15, 1971, while state employees, the DYS Director of Hyde Park House, the DYS Program Director, and a cook, incorporated as a non-profit Massachusetts Corporation called Hyde Park House, Inc.

While still state employees, on December 21, 1971, the two first-named individuals, in conjunction with others, formed a profit making Massachusetts corporation under the name of Hyde Park-Regenesis, Inc. The purpose of this corporation was:

> to provide a comprehensive mental health program to be offered to the general community. And, in addition, to provide community based residential treatment units that will provide integrated treatment and aftercare for youths in the custody of the Department of Youth Services.

Sometime between December, 1971, and May 16, 1972, Hyde Park House ceased taking DYS youths and took only private placements in the state-owned facility. Of the six privately placed youths at Hyde Park House on that latter date, at least three had paid "tuition" amounting to almost $2000. The tuition was paid to Hyde Park - Regenesis, Inc., the private corporation run by state employees at a state-owned facility.

A meeting was held on May 15, 1972, between the Corporate principals and DYS officials on this matter. It was agreed among them that the money would be returned, private placements would be terminated from Hyde Park House, an Attorney General's exemption letter would be sought, and Hyde Park House would immediately accept DYS children.

Memoranda from counsel to DYS and its Personnel Director were sent to the Commissioner advising him of the above actions at Hyde Park House. It is not known whether the $2,000 was, in fact, actually returned, or whether this was the total amount involved. It also appears that the matter never went beyond the Commissioner's desk.

Subsequently, on June 16, 1972, a new non-profit corporation was formed under the name of Xendelphia, Inc. The previously mentioned state employees were listed as Executive Director and Assistant Director, respectively, of the program conducted by this corporation. Its purposes were basically the same as those of Hyde Park House, Inc., and Hyde Park-Regenesis, Inc.

On April 12, 1973, the said Assistant Director who was, at the same time, a state employee, directed a letter on DYS stationery to the Department of Public Works requesting that a new lease be negotiated for Hyde Park House. He asked that the new lease be entered into with Xendelphia, Inc., a non-profit Massachusetts corporation and stated that this corporation was, at that time, the operator of Hyde Park House.

This latter statement was untrue because, as of the date of the said letter, the building in question was still being leased, staffed and supposedly run by DYS which, up to that point in time, had not entered into any agreement with Xendelphia, Inc., to operate Hyde Park House.

The letter served its purpose, however, and a new lease was negotiated between the Department of Public Works and Xendelphia, Inc., effective June 30, 1973, at a rental rate of $1.00 per month, this being the usual amount the Department of Public Works charges a non-profit agency. The rental agreement was executed on May 15, 1973, and the signatory on behalf of the corporation was the said Assistant Director, who was a DYS state employee at the time.

On or about May 10, 1973, the Executive Director of Xendelphia, Inc. requested DYS to request that a rate be set by the State Rate Setting Commission for a residential care program at Hyde Park House conducted by the said corporation. The Executive Director was also a state employee at this time, as was the Assistant Director. DYS requested that such a rate be set and permitted the two private agency administrators - state employees to represent DYS in the negotiations with the Rate Setting Commission.

The administration at DYS should be held accountable for the fact that at certain periods of time they placed no youths in Hyde Park House although paying the salaries of the entire staff. This study revealed specifically that Hyde Park House had no DYS youths during the week of June 3, 1973 to June 9, 1973, although paying salaries to the state employees assigned there. These employees, except for the cook, were all terminated after June 30, 1973, and immediately commenced employment with Xenadelphia, Inc. DYS, as well as the Division of Family and Childrens Services of the Department of Public Welfare, have since placed at least five youngsters in the facility at a cost of $195.44/week/child.

It was brought to our attention during this study that in July, 1971, a privately placed youth committed suicide by hanging, while a resident of Hyde Park House. There is no evidence that DYS conducted an investigation of this death, nor has there been an explanation why this youth was residing in a state facility.

The activities of the principals involved raise serious questions as to possible violations of the conflict of interest statute and other criminal statutes. There can be no doubt that the former Commissioner was fully aware of what transpired during his tenure and it is extremely difficult to conclude that the present Commissioner was unaware of what has occurred since he assumed office in January, 1973.

Since it is not within our prerogatives to evaluate or determine criminal responsibility, these facts, and the support material upon which they are based will be presented to the Attorney General for his consideration.

OTHER PROGRAMS

In closing its institutions and turning to the components of a community-based treatment program as the most viable method of rehabilitating youthful offenders, DYS maintained, as its major thrust, that the quality of service provided by private agencies would be much better than that under the institutional system. The agency likewise contended that this better service would be provided at less cost.

It is not possible, in our opinion, for DYS to substantiate this contention at this time because it did not monitor any of its placement programs until September, 1972. At that time, an evaluation unit was established in order to monitor the programmatic contents of its placement programs. As of September, 1973, the unit has been able to complete fifty-five evaluations including those of three regional offices and follow-up evaluations of only four programs.

It might well be that, overall, the quality of service is better but there is not sufficient data available currently to make such a determination. The evaluation reports on three regional offices, which are detailed in an earlier chapter, are extremely critical. Other examples show:

- Youths residing at the Roxbury Medical Technical Institute were forced to return to their own homes for meals inasmuch as the residence only provided one meal per day.

- Rockland School, an LEAA-funded residence was described as a cold, empty, dark atmosphere, with little room to move, little supplies to work with, and little opportunity to feel at "home." A youth at the school described the major activity in this phrase - "There is nothing else to do here but fight."

- Groupways, an LEAA funded residence, was described as structured and functioning in such a way as to meet individual staff needs rather than those of its youthful residents. Of the initial thirty-three residents in the program twenty-two ran away.

By its failure to obtain audits of any of the residential programs, other than those funded and audited by LEAA, the Department has been unable to substantiate its claim that better quality service has been provided at a lower cost. It was not until May of 1973 that the Department was even aware of how much it was spending for its residential programs, let alone what the money was being spent for.

The Governor's Committee on Public Safety, which made the federal funds available to DYS, performed audits on the thirteen original LEAA funded group homes. Major findings in these audits included:

> Libra, Group Home, Cambridge
> State Planning Agency Audit #73-14 - 1-5-73
>
> Equipment purchased with grant funds has apparently been stolen, some of which was stolen in the beginning of the program but never reported by the project personnel.
>
> The project was not monitored by DYS. This is evident by the lack of progress reports relating to technical accomplishments. The financial reports were forwarded when requested by DYS.
>
> Records concerning the receipts from purchases were destroyed sometime during the program.
>
> Taxes deducted from Libra employees' pay were not held in escrow nor paid to the Federal and State Governments. Notification of delinquency was received from IRS.
>
> Checks were missing from the youth home's checkbook.
>
> A number of checks were made out to cash and cashed by the individual signing the check. No accountability for these expenditures can be found.
>
> Two telephones were set up in the Youth Homes, one for general business and one for the personal use of the Project Director. The total of the payments for a six month period was approximately $1,600, but no bills can be found. The auditor made a request of the phone company for documentation.

Monies were used from this grant for the following expenditures:

a) Payment of traffic tickets
b) Payment for bail for an individual
c) Payment for gas, using a credit card, after termination of the grant.

The above expenses are unallowable in accordance with the LEAA financial guide. It is the opinion of the auditor that the payment of car rental costs are excessive and should also be disallowed.

Money was borrowed from the Board and Allowance Fund of DYS throughout the grant period in order to meet expenses. The money was paid back in one lump sum with grant funds.

LEAA funds were used as the initial downpayment of the home in the amount of $7,900. Since termination of the grant on 11/11/72 no monthly mortgage payments have been made. The mortgage due on the home is approximately $25,000. There is some question as to the allowability of such a purchase under LEAA's financial guidelines and under the standard conditions of the grants themselves.

The Program Director, after being relieved from his duties, wrote checks out to cash without any approvals.

Money from the grant was used on several occasions to pay for cash which was stolen from staff members at the house.

Personnel were paid with grant funds and no explanations given for the amounts paid.

It is the opinion of the auditor that the grant funds were generally mishandled, misused and not spent entirely in accordance with the approved budget.

As of 1/5/73 there are approximately $5,000 of outstanding bills to be paid. Some of these expenses were incurred after the termination date of the grant.

No record could be found indicating that the person from Libra who signed the original grant from DYS was an authorized Libra representative.

GROUP HOMES INC. SPRINGFIELD

GENESIS II - SPA Audit #73-17 3-23-73

A downpayment of $6,000 was made by Group Homes, Inc. for the purchase of the home on 135 Dartmouth Terrace, Springfield, Massachusetts. The only funds available to Genesis II for this home, at the time, were funds received from the 72-ED-01-0003 source. Since these are Part E Discretionary funds, the Part E requirements apply; and these requirements were affixed to the award to DYS in the form of standard grant conditions.

The petty cash systems for weekly household expenditures, while controlled in total, does not preclude the use of petty cash for other than the stated purposes. An example was the purchase of a stereo set, which circumvented the usual procedures of acquiring equipment through the purchase order sytem, and which avoids the accountability for the equipment.

HOLYOKE BOYS CLUB - SPA Audit 73-18 4-9-73

HBC purchased a group home located at 224 Elm Street, Holyoke, Massachusetts for use in accepting DYS referrals. This home is located approximately one-half mile from the HBC facility at 70 Bond Street. The purchase price of the home was $26,000 and HBC borrowed $5,000 for the initial down payment. This money was "paid back" to HBC's general funds when DYS-LEAA grant funds were received from DYS. Mortgage payments are $245 per month for 240 months, and the monthly "rental" costs recorded by HBC against the DYS grant for this home varied in accordance with the following schedule:

RENT PAYMENT SCHEDULE

Month	Amounts
July 1972	$738.33
August	738.33
September	738.33
October	738.33
November	245.00
December	245.00

The rental charges for July through October, 1972 were in excess of the actual mortgage payments of $245. The reason for the higher rental charges was the HBC had spent and subsequently needed to "recover" $20,000 for renovations to the home by Curron Construction Company. HBC did budget $4,000 for renovation costs.

The budget, however, did not provide for building acquisition. Since it was not provided for, the purchase must be unallowable. Also, since these are Part E funds, the Part E requirements apply; and these requirements were affixed to the award to DYS in the form of an award revision #2. This revision included a special condition #4 which makes reference to Section 453 (2) of the Omnibus Crime Control Act which requires that "the control of (Part E) funds and title to property derived therefrom shall be in a public agency for the uses and purposes provided in this part, that a public agency will administer those funds and that property." Furthermore, expenses for the purchase of land and buildings or improvements thereon or payments of real estate mortgages or taxes, unless specifically provided for in the grant agreement, are unallowable. DYS apparently failed to include these conditions in their subgrant award package to HBC. The auditor could find no documents reflecting a budget revision for building acquisition and/or LEAA's approval of a request by the SPA to provide for building acquisition.

As previously mentioned, HBC's original budget, as included in their application which was approved by DYS, included $4,000 for building renovation. This expense is also unallowable, as Part E requirements as explained in the preceding paragraph would apply to renovations (improvements) as well. The auditor could find no document reflecting LEAA's approval of a request by the SPA to provide for building renovations.

ROCKLAND SCHOOL FOR EXCEPTIONAL CHILDREN

- SPA Audit #73-22 4-19-73

Findings:

On 1/24/72 the R.S. made a proposal for a community-based home (Group Home) to the Department of Youth Services. The cover letter from R.S. stated that they were petitioning the Secretary of State for a charter under Chapter 180 of the Massachusetts

General Laws, to be considered as a non-profit organization. On 7/1/70 the R.S. registered under Chapter 156B as a Business Corporation, and as of 3/14/73 it is still registered under Chapter 156B.

On 9/1/72 the Department of Youth Services awarded 42,100 to R. S. for the establishment of a group home. On 10/5/72 DYS transmitted to R.S. a check for $42,100. This check was then deposited into the account of "Deerfoot, Inc." (account number 578-590-1) in the First County National Bank in Brockton, Massachusetts. The check was endorsed by Richard H. Wilson, Business Manager/Treasurer of Rockland School acting on behalf of both R.S. and "Deerfoot, Inc." At this point in time, no corporation known as "Deerfoot, Inc." existed. Further the auditor found no records documenting notification to DYS that a new corporation was being formed, or authorizing the subgranting or transfer of funds to "Deerfoot, Inc." As of 3/20/73, no corporate resolution was on file with the bank in which the federal funds were deposited, and no signature cards were on file with the bank authorizing withdrawal of grant funds.

On 11/1/72 employees in the following categories were transferred off the Rockland School books and onto "Deerfoot, Inc." books: teacher, social worker, night watchman and cook. These salaries were reported to be for in-service training.

A corporation known as "Deerfoot, Inc." was formed on 11/10/72. Some of the officers of "Deerfoot, Inc." are also officers of R.S. In late December, 1972, "Deerfoot, Inc." filed with the Secretary of State's Office a petition for non-profit corporation status under chapter 180.

The following equipment was purchased with grant funds on the dates indicated:

Date	Description	Quantity	Amount
11/28/72	Fiberglass Chairs	60	$ 948.00
11/22/72	Duplicator Machine	1	175.75
11/22/72	Sunbeam Dup. Machine	1	189.52
11/27/72	Color 16" Chromacolor TV	1	329.95
11/27/72	TV Stand	1	20.00
11/1/72	Desks	4	148.00
11/1/72	Various metal lockers and benches		294.00
11/10/72	Typewriter (second hand)	1	94.85
	Total		$2,200.07

Travel costs were incurred prior to the effective date of the grant (9/1/72) These costs in the amount of $200 were reimbursements for travel expenses.

The total cost recorded on the books of "Deerfoot, Inc," as of 12/31/72 was $14,049.

The program was extended, via a memorandum from Bill Donahue dated 1/4/73, to 1/3/73, and not via the proper adjusted grant award document.

At no time during all of the transactions described above did a group home exist. The Department of Youth Services has never made any referrals to the program. Thus a staff was paid and equipment was purchased for a program that did not yet exist. At the time of the audit, the color television set purchased with grant funds was found to be in the home of an officer of the Rockland School.

ROXBURY MEDICAL TECHNICAL INSTITUTE -

SPA Audit #73-23 4-6-73

RMTII entered into a rental lease agreement with Roxbury Medical Technical Institute Foundation, Inc. on 2/1/72 for five years at $6,000 per annum ($500 per month), which is the same rent that DYS pays to RMTII.

A request for a budget revision was submitted by RMTII to DYS on 7/31/72 which increased the renovation figures from $4,000 to $17,000 and $14,000 in renovation costs had already been incurred by that time. No documented response to that request was found by the auditor. At the time of the audit, the full $17,000 had been expended on renovations.

Accounting records and supporting documentation on file were adequate in their reflection of project expenditures. The expenditure of grant funds had been made in accordance with applicable regulations with the exception of the renovations previously mentioned, and the following items:

a) One Volkswagen bus (used) was purchased for $1,500. This was not in the budget.

b) Utility expenses for 14 months totaling $156.87 were charged to this project through 8/1/72. Part of the charges were for costs incurred prior to the grant agreement. Nothing was budgeted for utility expenses.

c) Charges were incurred for photographs taken at a banquet in the amount of $176.35. This was not in the budget.

d) Office equipment rentals in the amount of $844 were charged against this project. Rentals were not budgeted, but there is a provision in the amount of $600 for purchases.

WYCOFF CONSULTANTS INC., WINCHENDON

- SPA Audit #73-25 3-26-73

The purpose of this project is to provide therapeutic and educational rehabilitation services for youths referred by DYS. WCI operates three group homes, one of which is Lowry House, located in Winchendon, Massachusetts. This home was used by WCI to carry out this project by DYS. These homes are owned by Buss Properties (Dr. F. Howard Buss). Dr. Buss is the Administrator of WCI. He also provides psychiatric and psychological services as a consultant on a part time basis to the Lowry House. His personal involvement raises some question as to whether or not certain transactions were made in the best interest of this project. His part time consultant fee is $500 per month or $6,000 per annum. An average of two hours per week of consultant services is provided. The fee budgeted in the original budget for the twelve month period was $2,800. Dr. Buss does not invoice WCI for his consultant services. He prepares a check payable to himself for consultant services rendered.

WCI had also provided $5,000 per annum in the original budget for rent payments or approximately $417 per month. WCI paid rent for the Lowry House to Buss Properties at a monthly rental cost of $425 for June and July, 1972. The payment was increased in August, 1972 to $450. There is no formal lease agreement between Buss Properties and WCI. No invoices for monthly rent payments were prepared. WCI had been billed for all operating costs of the home including insurance, building inspection fees, sewer rental, etc. The purchase price of the Lowry House was $25,000. Buss Properties made a down payment of $2,500 and arranged for a twenty year mortgage for the balance. Monthly mortgage payments, including taxes, are $296. Because of the relationship between Buss Properties and Dr. Buss, it is questionable as to whether or not the rent is reasonable and represented by an arms length transaction.

In examining the accounting records the following observations were made:

a) About 50% of the file copies of the prepared checks did not have an adequate explanation or lacked copies of the invoices as support for the payments.

b) Generally did not identify the expenditures by budget category; therefore, WCI was unable to effectively monitor actual vs. budgeted costs. An example is the first quarterly report of expenditures and fund request (GPSC-12) submitted by WCI for the period ending 10/15/72.

	Federal Expenditures thru 10/15/72	
Cost Category	Per GPSC-12	Per Audit
Personnel	$10,000	$ 9,187
Training	800	1,670
Consultant	800	2,500
Travel	400	3,725
Office	2,081	892
Equipment	9,800	1,098
Other	2,175	2,200
Total	$26,056	$21,272

> In view of the overlapping activities of Dr. Buss and his association with Wycoff Consultants, Inc. and Buss Properties, as well as his providing consultant services to the project, it is recommended that this project be investigated by the Department of the Attorney General.

The findings in the audits of the remaining LEAA-funded group homes were negligible. Dare, Inc.; the Lutheran Council of Central Massachusetts; the New England Home for Little Wanderers; Groupways, Inc.; and, the Walker Home can be commended for their adherance to the grant conditions and basic accounting guidelines.

DYS must be severely criticized for its failure to monitor the expenditures of all of its residential programs not only those funded by LEAA. The Department has inadvertently provided funds for the purchase of buildings, automobiles, and furniture for residences that no longer exist. It has found itself in the position of trying to salvage equipment and supplies from bankrupt agencies. Monies are owed and well-intentioned people have been hurt, but most serious has been the shortsightedness of the Department in failing to monitor expenditures and to assist in the day-to-day operation of fledgling private agencies.

Seven out of the thirteen original LEAA funded residences for financial reasons are no longer in existence or no longer utilized for programmatic reasons.

Sixteen of the fifty largest vendors from whom the Department purchased services during the period 7-1-71 to 6-30-73 are no longer in existence or no longer utilized.

These sixteen vendors received in excess of $1,300,000 for services provided during this period, the quality and financial value of which is questioned.

B. AFTERCARE OR NON-RESIDENTIAL COMMUNITY-BASED PROGRAMS

Aftercare or non-residential community-based programs provide the second alternative in the three-pronged community-based approach to the rehabilitation of youth in trouble.

The greater number of youths involved in the aftercare programs were formerly in residential programs or foster homes, but a number entered directly from the courts as referrals or as a condition of parole.

The major objective of aftercare programs is the reintegration of troubled youth into the community, supported by a sincere and active community effort in the areas of counseling, alternative education, and the development of basic work skills.

Located in store fronts, churches and schools throughout the Commonwealth, these programs are either community-operated, with reimbursements from the DYS Delinquency Prevention Account, or privately run, using DYS purchase-of-service funds.

For the Fiscal Years 1969 through 1973, the Department has reimbursed a total of $3,811,876.66 to the various cities and towns of the Commonwealth for delinquency prevention programs.

Inasmuch as there is no subsidiary account subdivision (object code) which delineates non-residential programs, it was not possible to separate the total expenditure for privately operated aftercare programs from those supported by local public funds during the same five-year fiscal period.

An in-depth analysis follows of the largest privately run aftercare program which the Department is presently utilizing.

Community Aftercare Program (CAP)

The Community Aftercare Program, Inc. (CAP) has been functioning since November, 1971. It was incorporated in December, 1971, as a private non-profit agency to provide rehabilitative services to delinquent youth.

Incorporators were William and Scott Wolfe of Rhode Island who, as students attending Massachusetts colleges the previous summer had conducted a seasonal program for twenty delinquent youths. The summer program was undertaken by the young brothers upon the suggestion of Commissioner Miller.

Between November of 1971 and June 30, 1973, CAP received $368,830 in state funds for its non-residential juvenile programs.

The CAP program, as set forth in their contract proposal, is based on three assumptions. First, "that treatment within the environment gives the counselor access to the full picture and the intervening factors that contribute to the child's delinquency"; second, "that the horizontal, non-professional, informal helping relationship creates a rapport conducive to effective counseling that vertical professional relationships cannot achieve in fewer hours per week"; and third, "that juvenile crime is primarily a group act and that delinquents respond to treatment in groups of their friends." The immediate goal of the CAP activities is to "keep kids out of trouble." The theory behind this type of program is that by scheduling activities or having counselors available at times when trouble usually occurs, after school, evenings and weekends, the time of the youths will be sufficiently taken up and their opportunities to "get into trouble" severely reduced. Activities sponsored by CAP are widely varied in nature.

Since July of 1972, CAP has opened three businesses. The first business, opened in (July of 1972, was an ice cream parlor in East Boston. This was closed in December of 1972 due to financial difficulties and insufficient delinquent youth in the East Boston area. An ice cream parlor was opened in Worcester in August, 1972, and was closed as a separate entity in September of 1973 due to an increase in rent. This ice cream parlor operation was merged into the Worcester CAP pizza parlor which was opened in October of 1972. The purposes of the business operations were threefold, first, to serve as a place to teach basic work habits such as punctuality, honesty and diligence to delinquent youths; second, to provide a legitimate source of income for those who have been unable to get jobs elsewhere; and, third, the facility itself was to serve as a drop-in center for the youth involved in the program, giving them a place to spend free time.

In addition to the Worcester business, CAP rents four other locations for such activities as general meetings, private tutoring, "rap sessions," arts and crafts, job counseling, television, and indoor games. In addition to activities held at the above locations, CAP provides other recreational activities such as field trips, weekend camping trips, concerts and sporting events.

In the area of educational opportunities, CAP has started three alternative schools, two in Boston serving between twenty to twenty-five youths and one in Worcester serving approximately twenty-five youths. These schools are fully accredited by the respective school committees and seek to provide alternative educational resources to the youths and, further, if possible, to reintegrate them into regular public school systems. In addition to the formal alternative schools, CAP counselors, usually college age men and women, provide informal tutoring at the CAP drop-in centers for others in the program.

CAP is also committed to finding a job for any youth of working age desirous of one. This is done by searching out and taking advantage of existing community resources and, further, as mentioned above by running their own business. In the realm of vocational placement, CAP also lends support in the job hunting process and lends encouragement and counseling once a job is obtained.

CAP Contract

CAP is contractually bound to provide fifteen hours of "service" per youth each week. CAP is vested with the power to exercise sole discretion with regard to when these services are actually provided. The "services" referred to are the following:

1. Educational counseling, testing, tutoring and placement.
2. Individual counseling, to include more long-term objectives in education and vocation, as well as emotional assistance at least twice weekly.
3. In-house seminars.
4. Recreational opportunities.
5. Field trips.
6. Vocational assistance - short and long-term goals.
7. An in-service training program.
8. Aftercare services.

The main problem encountered here is that there is no delineation of the time spent on each type of service. With this omission, DYS is unable to ensure that sufficient time is spent on educational and counseling endeavors rather than on mere "time filling" activities. The CAP staff indicates that it would be impossible to set any time proportions because first, each youth has different needs and secondly, because services are, to their way of thinking, blended together in that during recreational activity, some vocational assistance, or counseling may be included, or some other combination of services may be provided.

Staffing of the CAP program is completely the responsibility of the contractor. The contract calls for two full-time directors (Worcester and Boston), one full-time case worker for every eighteen youth, two full-time certified teachers, at least one part-time group leader for every five youths, and an unspecified number of volunteers, many of whom receive course credit from a university for work experience in CAP. There are qualifications set up for only two of the above-mentioned positions, the necessity of a certification for the teachers, and either a graduate degree in social work or two years DYS experience for the caseworkers. A review of the resumes indicated no one on the staff holds such a graduate degree in social work and only two employees had the required two years experience with DYS at the time they were hired.

Article II of the most recent contract states that "The Corporation guarantees that the staff assigned to the program involved herein shall have expertise in the field of treatment and therapy for socially maladjusted children." An analysis of CAP's organizational chart shows that in the Boston office some 36% of the employees have college degrees, and in the Worcester office 33% have college degrees. The remainder of the staff, for the most part, has had some college background, or are presently pursuing a college degree.

A staff member of a special Legislative Commission on the Care and Treatment of Children, interviewed three Clark University faculty members in January, 1973, who stated that CAP's student-staff people did not receive any type of specialized training to treat delinquent children in the academic part of the Clark - CAP courses. All three faculty members agreed that the CAP program was better than institutional care, but each one also indicated that there had been student complaints about the lack of expertise available when dealing with a particularly difficult problem child. One CAP student worker interviewed felt that the essence of the Wolfes' approach was "entertainment" and that delinquents were being "bought off" by college-student-directed recreational activities rather than being helped to learn non-delinquent patterns of behavior. One of the faculty members also stated that he has reservations about the tested value of the CAP program in anything beyond "time-filling" activities.

CAP's intake is limited to a maximum of one hundred fifty boys and girls between the ages of seven and seventeen. The average stay envisioned in the contract is from three to six months and under no circumstances is a youth to remain in the program for more than ten months. CAP is primarily a voluntary program. A youth is either referred to the program by a District or Juvenile Court Justice, in which case there is a form signed by the justice and the parent of the child indicating the voluntary nature of the program, or, the child is one who has been committed to DYS and a Regional Director places the child in the program with a minimum of formal paper work.

With the exception of medical and dental services, psychological evaluations and clothing which are to be provided by DYS, all other aspects of the program are the sole responsibility of CAP. For this, the Department compensates CAP at a rate of $50 per week per child. The billing period is up at thirty days and the bills are required to state the period covered, the number of children attending the program, the date they attended and the amounts due. Further, contractually, DYS is not responsible for any costs incurred by any child unless such child is placed in the program by DYS in writing or referred to it by the Court. The purpose of this last-mentioned clause is to preclude CAP from subsidizing the activities of youth who are not CAP charges but are anxious to participate in the recreational activities. Despite this clause, Scott Wolfe alleges that it is impossible to exclude a brother or sister of a CAP youth entirely and that some money is spent by CAP on youths who are not enrolled in the program.

The contract contains a section which requires that the corporation will "maintain adequate financial records and will cooperate with the Department and the Rate Setting Commission in any audit conducted by the Department and the Rate Setting Commission." The term "adequate financial records" is not defined despite the fact that it is susceptible to varying interpretations. Further, while CAP's cooperation is pleged in any DYS audit, DYS has conducted no such financial audit since the program's inception in November, 1971.

The contract then requires:

> that the corporation will establish fiscal control and fund accounting procedures which will assure the proper disbursement and accounting of money provided by the Department. Procedures must provide for an accurate and timely recording of receipt of funds by source of expenditures made from such funds and of unexpended balances. Controls must be established which are adequate to ensure that expenditures charged to program activities are for allowable purposes and that documentation is readily available to verify that such charges are accurate.

The main problem with the above statement is that no procedures are delineated and no controls are specified and again the type of records maintained is left to the discretion of CAP and not DYS.

This is the first CAP contract in which any language relative to accounting was included. The first two arrangements between CAP and the Department were silent on all fiscal matters, except compensation.

An analysis of CAP financial records for the period November 1, 1971 to June 30, 1973, disclosed that it had received an amount of $368,830.84 from the Department. Records of the State Comptroller show this sum had been paid out of the following accounts:

ACCOUNT		AMOUNT
Bureau of Aftercare		
Foster Home Care		$112,528.60
Residential Care Program		
Administration		117,702.24
Community Based Treatment Units		
Community Based Treatment Units-Administrative Expenses		46,170.00
Certain Public Social Services		
Allocation of 1100-1141 (IV-A)		32,430.00
Delinquency Prevention Programs		
Grants to CAP		
198-054-091 (1/1/72 - 6/30/72)	$30,000	
198-086-095 (7/1/72 - 12/31/72	30,000	60,000.00
		$368,830.84

Included in the above total is an amount of $8,840. which was considered by the Department as a loan out of the Board and Allowance account. This account was established so that youth in need could be given an allowance and it was not meant to be used to pay vendors. An amount of $7,000. was returned to the Commonwealth by CAP, leaving a balance of $1,840. which is outstanding.

In addition to the total received from DYS, an amount of $21,889.83 was reflected on the CAP financial records and represented income from business operations and miscellaneous sources. This brought the total income for the period November 1, 1971, to June 30, 1973, to $390,720.67.

Expenditures for the same period amounted to $396,961.57 and were categorized by CAP as follows:

EXPENDITURES	
Salaries and Wages	$132,817.87
Allowances	51,214.41
Recreation	41,775.11
Transportation	32,652.27
Food/Meals	31,955.86
Rent	26,333.37
Supplies	21,884.46
Business Operations	20,131.45
Miscellaneous	8,239.19
Improvements/Maintenance	6,807.52
Payroll Taxes	6,047.67
Depreciation	5,203.76
Utilities	4,326.87
Insurance	4,291.27
Interest Expense	2,061.87
Accounting & Legal	925.00
Bank Charges	207.18
Advertising	86.44
TOTAL EXPENDITURES	$396,961.57

This left an amount of $6,240.90 in excess expenditures over income as of June 30, 1973.

A test check of expenditures was made by staff of the Post Audit and Oversight Bureau with the following findings:

1. CAP received $60,000 in Delinquency Prevention Grants which was to be used to help youth other than those assigned

to the program by DYS. This amount is included in the total program expenditures and there is no way to identify how these funds were spent. Amounts billed to the Department for the Delinquency Prevention Program were done on a percentage basis only, with no documentation available.

2. Salary and wage amounts as reflected on CAP's books are misleading. Amounts which were paid to Scott Wolfe, President of CAP, included amounts which he, in turn, allegedly disbursed to other employees of the program, thus inflating salary charged to his name.

3. An amount of $51,214.41 was expended for "allowances" to youth involved in the CAP Program cannot be verified since CAP did not require that youth sign for their allowances.

4. Other expense items such as recreation ($41,775.11) and transportation ($32,652.27) are insufficiently detailed and do not identify whether an expenditure was incurred for a youth in the program or for one of the employees of the program.

5. The amount of $31,955.86 for food is supposed to cover refreshments at meetings at least three times a week and one full meal per week for CAP youths, group leaders and volunteers, but no breakdown is available as to who received the benefit from this expenditure.

6. The amount of $20,131.45 identified as "business operations" on the CAP financial statements is only part of the actual business expense and actually represents purchases. To this figure must be added salaries which were listed at $38,532.78, bank service charges of $207.18, and rent and utility charges which were not segregated for the business operations but were estimated at a minimum of $9,000. This brings total business expenses to $67,871.41 which can be offset by business receipts of $19,997.54, leaving a loss of $47,873.87 for these businesses. These business operations are being subsidized with program funds.

C. Foster Care Programs

Among persons experienced in the field of child rehabilitative care, there are many reasons expressed why some delinquent children should be placed in foster homes rather than in group homes or institutions. The more obvious reasons include a child's need for affection, or to be exposed to a stable marital situation, or to develop values of ethical behavior, or for a wholesome environment.

The Division of Family and Children Services, within the State Department of Public Welfare, has operated a program of foster home placements throughout the Commonwealth for many years, and has done so with a minimum of criticism. So it was that, as an alternative to institutionalization, DYS embarked on a foster home recruitment program. At the outset of reorganization in October, 1969, it had twenty-nine juveniles in foster care. The intended goal was to eventually have as many as five hundred foster home placements available.

In June of 1973, according to DYS records, there were approximately 187 children in 158 different homes. These homes are divided into detention foster homes and regular foster homes, the major differences being the goals.

Detention foster homes are intended to provide a wholesome environment for youth awaiting court appearances on minor charges. The major goal of a regular foster home is to place a committed or referred youth in a good home environment.

As in most undertakings of DYS during the past several years, the implementation of goals, combined with an over-zealous anticipation of results, hampered successful achievement.

The agency never adequately researched the subject of teen-age foster homes. The Division of Family and Children Service corroborates the fact that foster homes for juveniles are extremely difficult to recruit let alone homes for juvenile offenders.

DYS developed some innovative methods of recruitment. They were: 1) Emergency Employment Act (EEA) Foster Homes; 2) Department Employee Foster Homes; and, 3) Private Agency Foster Homes. The Welfare Department used none of the homes.

1. Funds were provided to the Commonwealth by the Federal Emergency Employment Act as a source for the hiring of Vietnam veterans, minority groups and individuals from soçio-economically depressed areas. Once hired, these

individuals would provide a labor pool for needed public service and the knowledge and experience gained was intended to assist them in developing new careers, providing opportunities for career advancement and continued training, including on-the-job training.

The Department hired at least seventeen individuals as foster parents under this act. Their salary was set at $126/week plus three quarters of group insurance costs. They initially received $25 per week for board and allowance for each child they took into their home. On April 5, 1972, DYS increased the allowance for EEA foster homes to $45 per week per child. The Department has given no explanation for this increase. It is conceivable that some of these employees could have received as much as $5,000 tax-free for being the foster parent for two children for a period of one year.

2. Upon the closing of juvenile institutions, the Department found itself with a number of unneeded employees who formerly were juvenile or assistant juvenile supervisors. Between six and twelve of these individuals became state employee foster parents. Similar to EEA foster parents, they collected their state salary, were permitted to remain at home, and received an allowance of up to $45 per week for each juvenile they took into their home.

The records of the State Bureau of Personnel indicate that authorization was never granted to use state employees in this fashion. A spokesman for this agency advised the Post Audit Bureau that the practice was in violation of Personnel Rules and Regulations as authorized by Section 28 of Chapter 7 of the General Laws, which covers hours of employment and tours of duty.

3. In addition to the beforementioned methods, DYS in August of 1972, actively sought recruitment assistance from private agencies. A form letter was sent to all family and children service agencies in Massachusetts in order to increase the foster home opportunities state-wide for children referred or committed to DYS. Several agencies responded to the request and eventually negotiated and signed contracts with the state agency.

An analysis of four of those contracts revealed unequal compensation among those private agencies. For example:

DYNAMIC ACTION RESIDENCE ENTERPRISE (DARE) contracted to provide ten foster home placements. They receive a retainer of $2.15/day/placement to cover service and supervisory costs, and $3.57/day for each child actually placed, in addition to \$6.22/day for payments to the parents. Unless 80% of the slots are filled by DARE, the Department is not responsible for payment of the unfilled slots. If all ten slots are filled, DARE will receive a total of \$835.80 in allowances and administrative expenses per week (2.5 + 3.57 + 6.22 x 10 x 7 = 835.80).

CATHOLIC CHARITABLE BUREAU OF BOSTON is contracted to provide thirty-five placements at a rate of \$35/week per child for all department youth actually enrolled in the program. (35 x \$35 = \$1225/wk)

CENTER FOR THE STUDY OF INSTITUTIONAL ALTERNATIVES is contracted to provide seventeen placements. They are compensated at a rate of \$5.71/day for each child actually placed in a foster home; and a flat \$73.52 per day to cover selection, screening, supervision, training and administrative costs and services (\$17 x 7 x 5.71 + 7 x 73.52 = \$1194.13).

WORCESTER CHILDREN'S FRIEND SOCIETY is contracted to provide twelve placements. They are compensated at a rate of \$2.15/day/slot as a retainer; \$5.68/day/slot to cover administrative costs, and \$3.57/day for each child actually placed in a foster home (2.15 + 5.68 + 3.57 x 12 x 7 = \$957.60).

The actual rate per week per youth, assuming all slots are filled, is considerably different for each of the contractors. DARE would receive $83.58/youth; the Catholic Charitable Bureau of Boston would receive $35/youth, the Center for the Study of Institutional Alternatives would receive $70.24/youth and Worcester Children's Friend Society would receive $79.80/youth. The administrative costs per child for these four contracts range from less than $10 to over $40 per week.

Despite the method of recruitment, it is still the department's responsibility to investigate the potential departmental foster home before any child is placed therein. The Commissioner assured the Post Audit Bureau that all such homes are investigated and reports prepared prior to use, utilizing the guidelines of the Division of Family and Children Services, Department of Public Welfare.

These evaluations, according to the guidelines, are supposed to include basic information such as the family composition (use of a single woman or a widow should be an exception made only for temporary care), number of children in a family, the age and health of the prospective foster parents, the physical facilities of the home and the motivation of the foster parents.

From the Department's own guidelines, the following items should have been discussed between foster home finder and applicant, or noted in an initial report:

1. reasons for family's coming to apply for a foster child at time;
2. current relationships within family, such as marital relationship and parent-child relationships, attitudes and expectations in regard to own children, problems in children or parents which may affect foster child differently from own children;
3. relationships outside family with relatives, friends, and other members of community;
4. education, employment, and patterns of social relationships, including activities, hobbies, special interests, skills or talents;
5. religious observances, affiliations, activities;
6. current functioning in relation to normal everyday living, as well as in relation to stress or crisis;
7. pattern of family's daily life routine, habits, etc.
8. history of applicants' significant childhood relationships with parents, siblings, or other meaningful persons;
9. significant experiences in history of applicants, always including information about separation or loss through death, desertion, divorce, etc., and reaction to these experiences since they will affect applicants' feeling about separation from and return of children to their parents;
10. history of reaction to stress;

11. history of experiences with other children and feeling about special problems;

12. feelings, attitudes, and expectations in regard to foster parenthood;

13. capacity to absorb presence of a foster child without undue disruption of family's life, and to accept foster child's feeling about and relationship with own parents both positive and negative;

14. capacity of husband and wife to share with each other in care of a foster child, and to give proper consideration to feelings of own children, positive and negative, in arriving at a plan to care for foster children;

15. ability to accept natural parents, and to work with department in helping the child.

Relying on the Commissioner's assurances, an examination was attempted of the initial home investigations of thirty-three foster homes being used by Region VI (Boston). Only twelve investigation reports were available in any form for the thirty-three homes. Of the twelve, not one adhered closely to the guidelines. None was more than one page in length. The majority were only several paragraphs in length and two contained no information at all. Five of the homes were headed by a single or separated married women, three of whom received their sole support from the Department of Public Welfare.

An example of a DYS investigation report on a prospective foster home for a juvenile offender and the rationale for the expenditure of public funds for such care follows:

FOSTER HOME INVESTIGATION

NAME & NUMBER ______ Kevin/Keith ______ DATE: 3/30/73

FOSTER PARENT(S) ____________ SOC. SEC. #: ________

ADDRESS ______ Street, Boston TEL # ________

AGENT ____________

Ms. ________ lives in the South End area of Boston in a four story, brick, rehab., under government lease housing, occupying a 2 1/2 room, basement apartment. Ms. ______ having a 2 year old daughter is currently on ADC receiving $93.00 biweekly. Both subject have been living with Ms. _______ for the past 2 1/2 months, with the consent of their mother.

Agent feels that the home will not provide the proper supervision, but, unfortunately, this has been the home that the subjects feel most accepted in, and to move them at this point will create a situation that will be distasteful and uncontrollable. Keith was placed at Woodland School and was discharged for violation of the rules. Agent feels to remove subjects at this time will only result in runs from placements. However, the conditions should be clearly outlined that they must attend a D.Y.S. Program, such as the Roxbury Tracking, in order they will receive additional supervision that home cannot provide.

Home is suitable for foster placement with the avove conditions. Due to condition that Ms ________ is on ADC and that both subjects are good size youths consideration should be made to pay $45.00 per week per child.

Start board payments for Keith as of 2/2/73.
Start board payments for Kevin as of 1/2/73.

The three regional DYS evaluations covered elsewhere in this report contained pertinent information on the foster home programs in each of those regions.

Problems in Region II (Worcester) were: the failure to appoint a foster home supervisor; little control of the homes provided by Worcester Children's Friend Society; heavy reliance on EEA and Department employee homes, and placement of as many as ten children in one home at one time. The last point was evidenced in the case of ...... of Ware. A former chauffeur with the state Department of Public Health, Mr. .... received a total of $22,881.07 in tax-exempt board and allowance payments during F/Y 1973.

The administration of the foster homes in Region IV (North Shore) was described by DYS staff as poorly structured, poorly documented, and poorly supervised. The situation was attributed to absence of administrative control over the role of the foster home specialist and her responsibilities. She had few demands placed upon her and took little initiative in strengthening her role. The attitude prevalent in Region IV was "Who would want our kids," according to the in-house report.

The Region VII (Fall River-New Bedford) foster home program was hampered by the appointment of an individual as foster home specialist with no experience or training in the field of foster care. The monitoring, developing, evaluating and documenting of foster home evaluations appears to have left much to be desired.

SUMMARY

A. GROUP HOME PROGRAMS

Lack of proper accounting records by the group homes causes fiscal audits to be difficult, if not impossible. This is due to the Department's lack of direction in financial areas.

Some of the group homes' expenditures were found unallowable by federal auditors. This has happened only too often, because of the Department's lack of monitoring of sub-granted funds, or their total disregard for federal grant conditions.

Though an evaluation team has been established to monitor group homes and has done a commendable job, more staff should be assigned so as to enable each placement to be evaluated at least annually.

B. COMMUNITY-BASED PROGRAMS

1. Contracts lack specificity both in terms of activities to be performed and accounting responsibilities.

2. No data available to substantiate value of program.

3. No central attendance register maintained by CAP. DYS has no way to verify attendance of youths they have in the program.

4. Staff qualifications, as set down in the contract, were not met by CAP. No one on the staff holds a masters degree in social work, and only two

employees have the required two years experience with DYS for the case worker positions.

5. Delinquency prevention grants in the amount of $60,000 were not segregated from other DYS funds.

6. Salary amounts as reflected on the books were misleading since payments to Scott Wolfe covered amounts which he said he paid to other employees.

7. Expense items were too general, such as, "recreation, $41,775.11."

8. Amounts spent on "allowances" for youth in the program ($51,214.41) could not be verified.

9. Amounts were loaned to CAP from DYS (Board and Allowance Account), part of which was never refunded.

10. Several discrepancies exist between amounts on checks issued and amounts on vouchers used to substantiate the expenditures.

11. CAP businesses operated at a loss of approximately $47,873.87 between November, 1971, and June 30, 1973. Losses are being absorbed by program money which was budgeted for other purposes.

C. FOSTER CARE PROGRAMS

Some state employees of the Department have become foster parents, allowed to remain home while collecting their salary plus an allowance, usually $45 per week, for each juvenile placed in their home, which is in violation of Personnel Rules and Regulations. (Sect. 28 of Ch. 7 of General Law)

There is not a uniform rate of compensation to private agencies who offer foster care services. An analysis of four contracts revealed that not one was compensated at the same rate, with the high being $83.58 and the low being $35 per youth per week.

Basic guidelines for the procurement of foster homes are not being followed by the Department.

Poor administrative coordination and assistance to the regions by the central administration is working detrimentally toward the implementation of a successful foster care program.

BOARD AND ALLOWANCE ACCOUNT

BOARD AND ALLOWANCE ACCOUNT

The so-called "Board and Allowance Account" is a fund administratively created by DYS. It has never been publicized in that the agency has never specifically requested its establishment or funding either from the Governor or the Legislature. The original intent of DYS in having such an account was to enable it to respond to crisis situations of individual youths and, through Fiscal Year 1970, it was used very sparingly for just such a purpose.

The funds utilized for the purposes of this account are made available by DYS requesting an advance of funds from an authorized appropriation account and then depositing the advanced funds in a commercial checking account. Checks are then drawn on this account and issued.

Advances of funds are authorized by law under certain circumstances.

> Any officer authorized to expend money in behalf of the commonwealth may have money advanced to him from the treasury for such purposes, in such sums and subject to such rules and regulations as the comptroller may determine. 1]

It must be presumed, without qualification, that any state agency requesting such an advance intends to expend such funds for authorized purposes.

1] M.G.L.A. Chapter 29, Section 23.

The law also requires that the agency requesting an advance of funds state the purpose for which the advance is to be used with at least some specificity.

> Such officers shall certify that the amount is needed for immediate use, and, as specifically as may be, the purposes for which the expenditure is required. The certificate shall bear the approval of the officer or department having the supervision of such expenditure and, when filed with the comptroller, his certificate and the warrant and payment shall follow as in case of claims against the commonwealth. 2]

In accordance with the statute, the State Comptroller has established regulations relative to an agency's request for an advance of funds. These regulations require that, in order to have funds advanced, the agency must submit a "Request for Advance" (Form CD5) to the Comptroller. The information required on this form, apart from agency and appropriation account identification, consists of nothing more than a reconciliation of any prior advances and the amount of advance requested. Nowhere on this form is the agency required to specify the reason for such advance, despite the law. In addition, the agency head must certify that the funds are needed for immediate use, that he has a copy of the Comptroller's accounting instructions pertaining to advances, and that he is familiar with the provisions of the said instructions.

2] M.G.L.A. Chapter 29, Section 24

The Comptroller's accounting manual also places certain restrictions on the expenditure of advanced funds. For example, such funds may not be used to pay vendors, nor may they be used to pay claims against spending agencies of the Commonwealth which have not been paid because of insufficient funds; nor shall a temporary loan or advance on such claim be made from the advance pending legislative action thereon.

As stated earlier, this account was used sparingly through Fiscal Year 1970. In the last three fiscal years, however, it has grown from a petty cash account to one through which tens of thousands of dollars have poured.

FISCAL YEAR	AMOUNT
1971	$ 5,000
1972	25,000
1973	187,600

The above figures indicate an expenditure increase of 3652% in this account during this three-year period.

In Fiscal Years 1971 and 1972, funds to finance this account were advanced from the DYS Administration Account, while in Fiscal Year 1973 they were advanced from a Residential Care Program Account. In every instance, however, DYS requested the advance from the 07 subsidiary account entitled, "Laboratory and Medical Supplies and Expenses and General Care." The purposes for which this subsidiary account may be used are delineated by object code.[3]

Payments from the "Board and Allowance Account" are made primarily to DYS youths. The method utilized is very simple. The payments may be authorized by the Commissioner, the Assistant Commissioner of the Bureau of After-care, or the seven DYS Regional Directors. Once the payment is so authorized on the departmental form, the latter is presented to the Supervisor of Parole who issues a check in accordance with authorization. It should be noted that the said form does not contain a reason for the advance, nor does the Supervisor of Parole concern himself with this fact. Consequently, it cannot be determined from departmental records, at this point in the process, just what these payments are for and whether they are allowable out of the 07 subsidiary account.

Other payments have been made from this account, however, which are not allowable. For example, this account has been used to pay EEA foster parents, rents, hotel charges, and for salary payments to DYS youths who have allegedly been given employment with DYS. These are not permitted out of the 07 account. In addition, advance funds have been utilized to compensate private agency programs when funds were not available in the proper appropriation account and this is in violation of the Comptroller's regulations. DYS acknowledged that payments in the amount of $77,163.98 were made out of the Board and Allowance Account to private programs in a letter, under date of September 10, 1973, from the Supervisor of Parole to the DYS Director of Administration.

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[3] Subsidiary Accounts and Expenditure Code Number for Budgetary Control approved by Joint Committee on Ways and Means, March 2, 1964.

Libra, Cambridge	$29,730.00
Bubbling Brook, New Hampshire	12,145.00
CAP, Boston and Worcester	8,840.00
Andros, Roslindale	6,060.00
Peaceful Movement, Cambridge	5,310.00
Neighborhood Youth Corps, Springfield	3,593.00
Bridge	3,501.00
Youth Homes, Inc., Northfield	3,380.00
Roxbury Medical	3,299.98
Roxbury Tracking	1,305.00
TOTAL	$77,163.98

The above letter also stated that the Supervisor's office had nothing on record to indicate whether such monies had been repaid. DYS obviously considered these payments as "loans" but failed to maintain records to assure that these funds were repaid.

An analysis of receipts vouchers disclosed that only two providers returned funds which were loaned to them out of the Board and Allowance Account. Libra returned an amount of $8,100 and CAP returned an amount of $7,000.

It was also found that DYS recovered amounts loaned to Bubbling Brook by deducting these amounts from outstanding billings. According to departmental records, the following accounting for Bubbling Brook was made:

1973 Deficiency			$25,671.49
Less:	Amounts Advanced	$12,545.00	
	Food Loaned	269.32	12,814.32
Net Deficiency			$12,857.17

The remaining $55,518.98 in "loans" or questionable advances is still outstanding.

With respect to agency accounting for expenditures of advanced funds, the law states:

> Such officers shall, within thirty days after receipt of an advance, file with the comptroller a detailed statement of the amounts expended subsequent to the previous accounting, approved by the officer or department authorized to supervise such expenditure, with vouchers therefor if they can be obtained. All advances so made shall be accounted for and vouchers therefor filed with the comptroller before the close of the fiscal year. 4]

4] M.G.L.A. Chapter 29, Section 25

Accordingly, the Comptroller has issued a form entitled "Return of Advance" (Form CD21) which must be filed by the agency. This contains an accounting of the expenditures and the purpose therefor, and must be accompanied by the vouchers representing payments from the advance during the period being reported.

A review of the "Return of Advance" for payments made out of the Board and Allowance Account disclosed that Standard Invoices are attached which list the date of payment, name of the payee, check number, amount, and reason for payment. It was found, however, that in all cases, the reason given was "Living Expenses," with no further explanation or documentation given to or required by the Comptroller's Division.

The records maintained by DYS were found to be incomplete and did not disclose payment totals by individual youth or reasons for such payments. Staff members of the Post Audit Bureau undertook a complete analysis of the Board and Allowance Account for the 1973 fiscal year which entailed the review and allocation of approximately 5500 payments which were made in the course of the year in order to determine how amounts were being expended. As a result of this analysis, the following areas are commented on:

1. Lack of substantiation for grants authorized.
2. Lack of guidelines as to purpose and amounts of grants.
3. Payments to programs.
4. Salaries paid to youth allegedly working for the department.
5. All Board and Allowance Account payments in Fiscal Year 1973 in violation of appropriation act.

COMMENTS ON ABOVE FIVE POINTS

1. Grants made from the Board and Allowance Account can be authorized by the Commissioner, the Assistant Commissioner of the Bureau of After-Care, or by the seven Regional Directors. Upon receipt of the signed authorization from one of the above, the check is issued by the Supervisor of Parole who is custodian of the Board and Allowance Account. The only record maintained at the central office is the signed authorization, which does not state a reason for the grant in the vast majority of cases. At the end of each month a standard invoice is prepared listing the checks issued

names of youths, amounts, and the standard reason - "living expenses." The Supervisor of Parole, who signs all checks from this account, has no control over the use of this account; nor does he receive any type of substantiation other than the signed authorization. If an authorization is submitted with an appropriate authorizing signature, he issues a check.

2. At the present time, no written departmental standards exist as to how much can be authorized per individual payment. As a result of this, cases were found where individual youth have received up to three checks on the same date, and cases where youth are receiving checks on a regular basis, as often as one every four days, which seems to be in conflict with the original intent of the fund, which is for crisis situations. For the 1973 Fiscal Year it was found that twenty-two youths received in excess of $1500 each out of this account, and individuals have received up to $2880 for this same period.

3. It was found that payments to various programs, as opposed to individuals, have been made from this account. This has been accomplished in either one of two ways. First, checks have been made payable to a youth in a program and then signed over to the program

which this youth was attending, or to an individual affiliated with the particular program. This practice has been sanctioned by DYS in that there is a receipt line provided on many of the authorization forms so that receipt of checks by a program affiliate may be acknowledged. In two cases, it was found that advance checks were made payable directly to vendors. Under state Regulations, payments to vendors must be made on a standard invoice and pre-audited by the Comptroller prior to payment by the State Treasurer. By paying vendors out of an advance account, the pre-audit function was circumvented. The Department acted in violation of regulations in paying vendors out of an advance fund.

4. In the course of this Post Audit and Oversight Bureau's analysis, payments were found to be authorized for youths who are allegedly working for DYS. This is obviously an improper payment out of the Board and Allowance Account since payment for salary cannot be charged to an 07 subsidiary account. The 07 account was not intended to be used for salary advances, but for purchase of medical supplies and board of state wards.

5. The language of the appropriation item from which this advance is taken explicitly provides that the purpose of the account is to be "for a certain residential care program," and further explicitly precludes any expenditures for residential care unless the Rate Setting Commission has approved the rate of compensation. Since there is no Rate Setting participation either in the request for advance or the payments to youth, all expenditures made through the Board and Allowance Advance system are clearly in violation of the language of the appropriation act and, therefore, should not have been allowed by the State Comptroller.

The use of the Board and Allowance Advance Fund was brought to the attention of the State Comptroller's Division by staff of the Post Audit and Oversight Bureau on February 15, 1974. A chronology of events since that date follows:

FEBRUARY 15, 1974: Letter sent to Commissioner Leavey from the Comptroller's Division stating that the Returns of Advance for expenditures out of the Board and Allowance Advance do not appear to conform with the appropriation item or the Comptroller's Accounting Manual providing for advances. The letter requested that the balance of the advance fund be returned to the Comptroller's Division pending justification of the advances and payments from appropriation item 4202-0021. (Residential Care Program).

Note: On the Return of Advance for the period ending February 15, 1974, a balance of $3,626.91 was reported.

FEBRUARY 19, 1974: The Department submitted a Request for Advance to the Comptroller's Division for an additional $20,000 to be advanced out of appropriation account number 4202-0021 (Residential Care Program) to provide funds for the Board and Allowance Account.

FEBRUARY 22, 1974: A second letter was sent to Commissioner Leavey from the Comptroller's Division rejecting the $20,000 request of February 19, 1974, with the statement that the request was undoubtedly prepared prior to receipt of the letter dated February 15, 1974.

Note: An examination of the Board and Allowance Advance Account for the 1974 fiscal year (July 1, 1973 to February 29, 1974), disclosed that the Department expended a total of $69,988.09 for the eight-month period ending February 28, 1974, leaving a balance of $11.91.

MARCH 1, 1974: The Department submitted a Request for Advance to the Comptroller's Division for an amount of $7,000 in an effort to replenish the depleted balance in the Board and Allowance Account. This time the advance was requested out of appropriation account #4237-1010 (Community Based Treatment Units).

MARCH 7, 1974: A third letter was sent to Commissioner Leavey from the Comptroller's Division rejecting the $7,000 Request for Advance stating that a reason for the request and the purpose for which it is to be used must be set forth. It was also noted in this letter that Commissioner Leavey had not replied to the letter of February 15, 1974 relative to accounting for advances.

MARCH 13, 1974: Letter sent to the Post Audit and Oversight Bureau from the Comptroller's Division stating that the Department of Youth Services had not responded to the letters of the Comptroller's Division.

The Board and Allowance Advance Account clearly demonstrates the manner in which the Department has functioned since the start of the Miller administration. Commissioner

Leavey has chosen to follow Miller's lead in the use of this account and has displayed a disregard for both the laws of the Commonwealth and rules and regulations which have been set down.

In the chronology of events stated above, Commissioner Leavey has:

1. Failed to justify the advances and payments from appropriation account 4202-0021 (Residential Care Program), as was requested of him by the State Comptroller's Division.

2. Failed to return the balance of the advance as was requested of him on February 15, 1974 by the Comptroller's Division.

3. Allowed the balance of the advance fund to be expended in total disregard of the Comptroller's request of February 15, 1974.
4. Deliberately attempted to gain additional advance funds for use in the Board and Allowance Account in two instances after the date he was requested to discontinue the use of such an account.

In addition, it should be pointed out that the Comptroller's Division has been negligent in allowing this advance account to continue unchecked over the last three fiscal years and, therefore, has to share the blame with the Department for the misuse of such an account.

The Comptroller's Division has approved advances in the amount of $217,600 over the three fiscal years 1971, 1972, and 1973, and has processed Returns of Advance for the same period totaling $216,116.52.

By such approvals, the Comptroller's Division has allowed expenditures to be made in violation of appropriation acts; has allowed advance funds to be used to pay vendors directly, thus by-passing the pre-audit function, and has permitted payments to be made to individuals out of advance funds far in excess of limits which have been established in the Accounting Manual issued by the Comptroller's Division.

RUNAWAYS AND DEATHS

RUNAWAYS

DEATHS

RUNAWAYS AND DEATHS

Runaways

DYS has the obligation to control the freedom and actions of those youths committed or referred to its care, as well as an obligation to the citizens of the Commonwealth to physically prevent those youth from returning to the community until deemed rehabilitated. A number of these youths have been committed or referred as a result of their having committed serious crimes against individuals, i.e., manslaughter, armed robbery, assault and battery, or rape. As such, society demands that these youths be physically prevented from returning to their communities until it has been determined, to the extent possible, that they have been rehabilitated.

Control over these juveniles committed or referred to the Department, other than those paroled directly home, can best be described as the Department's inherent responsibility to physically place them in residential settings or institutions and to be held accountable at all times for each child's whereabouts and safety until he or she is deemed rehabilitated.

DYS has lost control over the whereabouts and safety of those youths under its control.

The Department's loss of control can be highlighted by the increase in the number of runaways or escapes from its community based treatment programs and institutions. The following remarks on the number of runaways or escapes must be prefaced with the fact that DYS now places youths in hundreds of group homes and foster homes, as well as those departmental institutions which remain open.

For the fiscal year ending June 30, 1969, prior to reorganization, the following runaway totals were available:

Reception Center, Roslindale	2
Forestry Camp	6
Shirley Industrial School for Boys	47
Lancaster Industrial School for Girls	34
John Augustus Hall, Oakdale	36
Lyman School for Boys, Westboro	324
	449*

For the fiscal year ending June 30, 1973, the Department supplied the following escape figures for its detention facilities:

Reception Center Roslindale	353
Camp Dorchester, YMCA	59
Worcester County Rec. & Det.	89
Hampden County Rec. & Det.	60
Salem YMCA	13
Brockton YMCA	29
Wayside Union	40
Campbell Cottage from 11/72	3
Lancaster (Putnam Cottage)	8
Interfaith	43
Charlestown YMCA	10
DARE Crossroads	41
	748

* Does not include figures for detention centers at Jamaica Plain, Worcester and Hampden County because DYS did not have this information recorded.

In addition to these 748 reported escapes, the state police verified an additional 241 escapes from the Andros program at Roslindale, bringing the building total to 594 and more accurately the detention facilities escape total to 989 during the twelve-month period. The total of 549 Roslindale escapes compares with a total of two for Fiscal Year 1969. The fantastic increase is significant in that the juveniles residing at Roslindale in the Andros Program are admittedly the most socially maladjusted in the Department, and those in the reception and detention wings are either awaiting arraignment - some having been bound over to be tried as adults because of the nature of their offense - or they are awaiting placement. It is the large number of escapes and runs by youths on detention status or in "maximum security settings" which cause the greatest concern.

The following information provided by the Boston Mental Health Foundation is an "Absent-Without-Leave" analysis of the DYS youths in the Andros program:

> Using the six-month period of May 1, 1973, to October 24, 1973.
>
> 1. Population: For this period, 118 residents had either been in or entered the Program.
>
> 2. 57 residents went A. W. O. L. during this period.
>
> 3. 11 residents went A. W. O. L. four times or more.
>
> 4. Total A. W. O. L.'s resulting - 132.

Further Breakdown:

1. 86 A.W.O.L.'s were from the Building.
2. 24 A.W.O.L.'s were from supervised ANDROS' group outings.
3. 21 A.W.O.L.'s were from weekend or extended passes.

Returns:

1. Out of 57 residents who went A.W.O.L., 52 returned.
2. Approximately 65% of those who returned, returned on their own.
3. Approximately 20% of those who returned, were returned by the Police with no new cases.
4. Approximately 15% of those who returned, returned with a new case.

Further Breakdown:

1. It can be said - 50% (57 of 118) of residents in the ANDROS Program will go A.W.O.L. at least once.
2. Approximately 20% of the residents included in this 50% will go A.W.O.L. more than once.

DYS's failure to exercise control, either by itself or through its private placement agencies, over referred or committed youths, has resulted in numerous cases of human suffering by private citizens. As examples:

Case 1: On March 30, 1973, R. L. escaped from Camp Dorchester/YMCA where he was awaiting a court appearance. He stole a car and, in the course of a police chase he ran into the rear of an elderly woman's vehicle on the Southeast Expressway. The force of the collision caused the woman's gas tank to explode and she burned to death in the flaming wreck.

The youth was then sent to the Hampden County Detention Center, from which he escaped and was later recaptured. He is currently awaiting trial for using a vehicle without authority.

Case 2: In August of 1973, D.J. and R.K. escaped from the Brockton YMCA Detention facility. They, likewise, stole a car, picked up an innocent passenger and were involved in a high-speed police chase, ending in a multiple vehicle crash on the Mid-Cape Highway. They, as well as their passenger, died in the wreck. An out-of-state family received critical and possibly crippling injuries as innocent bystanders parked in a roadside rest area.

Case 3: Following their escape from the Roslindale facility, three youths murdered the owner of a small store in the Dorchester section of Boston, while attempting a robbery.

Case 4: November 30, 1973, W. A. escaped from the Andros section of the Roslindale facility. Within several hours of his escape he is alleged to have been in contact with several youths who are charged with the first degree murder of a Boston detective. One of these youths, T. W., was, himself, an escapee of the Andros program. W. A. is charged with the offense of accessory after the fact to murder.

DYS must bear the responsibility for what transpires when a youth under its supervision escapes, whether that supervision be departmentally imposed or provided by private placement agencies under a purchase of service agreement.

In addition to the detention center runaways, the department supplied a regional total of runaways from foster and group homes for the eighteen month period January 1, 1972 to June 30, 1973. By region, the totals are:

	Runaways
Region I	89
II	218
III	306
IV	118
V	110
VI	183
VII	73
	1097

Using a two-thirds proportion of this eighteen-month total, combined with the detention totals for Fiscal Year 1973, we can estimate that there were at least 1600 reported runaways and escapes from the Department and its placement facilities in the fiscal year ending June 30, 1973, as opposed to the 449 plus reported runaways in Fiscal Year 1969.

An expensive side issue is the propensity of runaways to visit other states. When apprehended, or upon surrendering to authorities, the Department is notified and is required to provide transportation for the return to Massachusetts of its juvenile charges, the usual means being by airplane. This provision is part of what is referred to as the Interstate Juvenile Compact, a reciprocal agreement between states for the supervision and return of juveniles. A dollar expenditure for transportation for the calendar years 1968 to 1972 follows:

1968	$ 250.25
1969	715.90
1970	1,882.00
1971	5,093.41
1972	6,889.45

The growth from $250.25 to $6,889.45 represents an increase of 2650% over five years.

The lack of control in this area is best evidenced by the case of Arthur C. During the period September 20, 1972 to August 8, 1973, the Department provided airline transportation to return this youth from Philadelphia twice, and Harrisburg, Pa.; Syracuse, N.Y.; Washington, D.C.; Chicago, and Baltimore, once each. On June 13, 1973, he was returned from both Syracuse and Washington, D. C. From this it may be assumed that no one from DYS met Arthur at the airport when he returned from Syracuse.

Another example is that of Louise L. who was returned from Los Angeles twice and Chicago once in the past several months.

DYS has taken no steps to curtail this growing problem of out-of-state travel and as the word spreads among its juveniles, the problem can be expected to continue to escalate.

The Department has also failed to institute a definitive policy regarding the notification of local and state police of escapes. Some regions require the immediate notification of runaways, some do not, and some allow several days for a youth to return before notification.

Deaths

The safety and well being of those juveniles under the control of DYS is an element which should be taken into consideration when evaluating the community-based treatment program. The warehousing of children and the physical intimidation and inhumane conditions reportedly associated with institutions were considered major factors in the promotion of the theory of deinstitutionalization. Therefore, it must be assumed that the placement settings now being used are more humane and the safety and well being of residents in those placements are insured.

The physical conditions and well being of residents in some of the settings which replaced institutions has been touched upon in another section of this report. Outbreaks of venereal disease, and the failure to properly feed residents are some of the things which have occurred at halfway houses doing business with DYS.

With the advent of community-based treatment, the Department chose to place its wards in a myriad of settings, including the youth's own homes. Having made this decision they must accept the responsibility for the well being of all youths in their care, no matter where they are placed.

Our investigation has revealed that since reorganization, the number of youths who have died while under the supervision of the Department has increased tragically.

During the three years immediately prior to reorganization, eight youths in the care of the Department died, two of those appearing to be from natural causes. Since October, 1969, at least thirty-seven youths have died while under the Department's care, only two of whom died of natural causes.

The breakdown as to cause of the thirty-seven deaths follows:

Auto accidents	16
Overdose of drugs	7
Shooting	5
Suicide by hanging	5
Stabbing	1
Bike accident	1
Natural causes	2
	37

Two factors are significant in the examination of this breakdown: 1) there were seventeen deaths in the first nine months of 1973, and 2) the majority of deaths occurred while escaping, e.g., auto accidents in stolen cars, etc.

On November 11, 1971, the present Commissioner, who was, at that time, the Assistant Commissioner of the Bureau of After-Care, sent a memo to all regional directors advising that a special report was to be submitted to the Boston office of DYS in cases of serious illness, hospitalization, accidents and deaths of DYS youths in placements and foster homes. When the reports on the thirty-seven deaths were requested by this bureau, the Department was unable to provide them. Through requests to local police departments, DYS eventually provided some information on seventeen of the cases.

The callousness with which the Department has handled deaths in the past is evidenced by the case of M. C. who died of a drug overdose in a halfway house in March of 1973. The investigation files on her death consisted of two memoranda, dated March 21, 1973. The first advised the central office to terminate board payments as the girl terminated from the residence on March 15, 1973. The second advised the Regional Director that M. C. "placed at __________ in __________ ______ since July, 1972, deceased on Thursday, March 15, 1973, her death being the result of an overdose of benadryl." The record contained no other information or indication of greater DYS concern.

The Department has failed to evaluate this halfway house as it relates to the control of drugs, and is still using this facility as a placement setting.

DYS is guilty of non-feasance when a youth hangs himself in a halfway house, or overdoses, or dies in the process of running away, and no official investigations have been conducted to determine the adequacy of the programs involved.

The seriousness of this issue, after investogation by the Post Audit Bureau, resulted in the Department issuing of definitive guidelines on October 3, 1973, for the future investigation of deaths or serious accidents.

A tabulation of deaths among state wards in the custody of the Department of Youth Services between October, 1969, and September 18, 1973, follows:

Name	Cause of Death	Date
William E.	Overdose of Drugs	January, 1972
Dana C.	Overdose of Drugs	January, 1972
Antone C.	Overdose of Drugs	June 19, 1972
Stephen M.	Auto Accident	July 19, 1971
Barbara S.	Auto Accident	July 30, 1971
Ralph D.	Auto Accident - Runaway	November 29, 1971
Michael M.	Hanging (Theta House Manchester, Ma.)	December 10, 1971
Jeffrey F.	Natural Causes (R.C. Roslindale)	August, 1973

Charles G.	Killed in Stolen Car	March 30, 1970
Dorothy W.	Shot to Death	January 20, 1971
David S.	Auto Accident - Runaway	July 30, 1971
Norman T.	Hanging	October 14, 1969
Daniel J.	Auto Accident (AWOL from Brockton Y - Detention)	August 17, 1973
Lawrence L.	Unknown	October 30, 1972
Deborah K.	Auto Accident	December 4, 1972
Richard R.	Stabbed in Vermont	July, 1973
Dorothy G.	Bicycle Accident	June 23, 1973
Margaret C.	Overdose of Drugs	March 26, 1973
William D.	Overdose of Drugs	June 8, 1973
Robert M.	Suicide by Gun	May 7, 1973
Sandra L.	Killed in Car Accident - Runaway	March 27, 1973
Pamela V.	Killed in Car Accident	March 27, 1973
Wayne C.	Killed in Car Accident	March 25, 1973
Ira F.	Died - Shot in Police Chase	April 25, 1973
Robert T.	Hanging - Private Pladement, Hyde Park House	July, 1971
John S.	Shot Accidently	March 12, 1973
Eric B.	Died - Stolen Car	July 21, 1971
Noel R.	Died - Stolen Car Accident	May 6, 1971

Name	Cause of Death	Date
Raymond M.	Hanging in Police Station in Maine	June 5, 1973
Richard U.	Died - Stolen Car Accident	June 21, 1973
George P.	Hanging in Hingham Police Station	September 14, 1972
Michael M.	Died - Auto Accident	May, 1973
George M.	Shot - Attempted Robbery	August 9, 1972
Francis M.	Cancer - Shattuck Hospital	December 1, 1971
Mark S.	Car Accident - Marshfield	September 2, 1973
Jackie J.	Shot by Police	

Summary

In Fiscal Year 1969, there were only two runaways from the Reception Center in Roslindale. For Fiscal Year 1973 there were 594 runaways. This number is compelling in view of the fact that this facility is the only "maximum security unit" that DYS has for referred or committed youth.

In the past four years, the statewide runaway totals have increased from 449 in Fiscal Year 1969 to over 1600 in Fiscal Year 1973.

Runaways who are apprehended in other states are provided transportation back to Massachusetts at DYS expense. The expenditures for transportation of runaway youth was $250.25 in 1968 and has grown steadily each year to $6,889.45 in 1972. One youth was returned from Syracuse, New York, and then from Washington, D. C., on the same day.

Since October, 1969, at least 37 youths have died while under the Department's care. Only two of the deaths could be diagnosed as being from natural causes.

When the Post Audit Bureau requested reports on the number of runaways and deaths of youth in the custody of DYS, the agency could not provide them. Only after compiling information from various outside sources, such as police departments, could DYS comply with the request.

D.Y.S. FINANCES

DYS FINANCES

Funding for the Department of Youth Services consists of state appropriations, bond funds, trust funds, and federal grants. A review of expenditures from these accounts for the five fiscal years 1969 through 1973 disclosed an increase in total spending from $8,006,905.61 in Fiscal Year 1969, prior to reorganization and deinstitutionalization, to $16,902,278.41 in Fiscal Year 1973. This represents an increase over a five year period of 111.09 percent. In addition to the amount disbursed, the Department incurred obligations in fiscal 1973 in excess of $680,500, which remained unpaid at the close of the fiscal year.

Since DYS has changed its primary role from that of caring for juvenile offenders in departmental institutions to that of purchasing such care from private vendors, it has failed to take the necessary steps to assure that adequate controls exist over the millions of dollars of public funds that are being expended on contracts for the purchase of service and to tailor program reforms to stay within fiscal limitations.

The Department has clearly demonstrated an inability or unwillingness to live within the financial constraints which have been set down by the Legislature.

DEPARTMENT OF YOUTH SERVICES
ANALYSIS OF EXPENDITURES*
FIVE FISCAL YEARS 1969 – 1973

	1969	1970	1971	1972	1973
BUDGETARY FUNDS**	7,227,066.04	8,612,620.54	10,196,404.18	11,703,519.57	14,508,357.97
BOND FUNDS	509,841.74	1,780,252.04	538,023.96	535,587.54	208,260.89
FEDERAL GRANTS AND TRUST FUNDS	269,997.83	193,652.93	468,543.96	1,452,005.21	2,185,659.28
TOTALS	8,006,905.61	10,586,525.51	11,202,972.10	13,691,112.32	16,902,278.14***

**For further detail see Exhibit E

***The figure of $16,902,278.14 must be increased by $680,518 which represents the amount owed by DYS at the close of Fiscal Year 1973. This sum of $680,518 is made up of the following:

Central Administration	$243,261.97
Purchase of Services	223,429.90
Field Accounts	213,827.00
	$680,518.87

*Source: Massachusetts Financial Report (P. D. 140)

At the close of Fiscal Year 1973, the Department actually would have exceeded its budget by $3,000,000 had it not been for a windfall funding from various sources. The figure of $3,000,000 is arrived at by taking the following factors into consideration:

1. The Department reported a fiscal 1973 deficiency of approximately $680,000, which is an understated figure. (The State Auditor reported an amount of $734,038.87 in deficiencies, and further stated that this figure could be increased by an additional $129,000).

2. The Department received additional funding from Title IV-A funds of $1,786,000 in excess of the $585,000 originally anticipated in order to pay its bills. This brought the total Title IV-A allocation to $2,371,000 for the Department.

3. In May of 1973, the Department received an additional LEAA grant of $427,000. Expenditures out of this account for the remaining two months of Fiscal Year 1973 amounted to $426,336.71.

4. A financial arrangement of questionable legality by which the Department of Public Welfare was charged for the care of 160 juvenile offenders in the custody of the DYS resulted in the expenditures of by the Welfare Department being overstated in the amount of $200,000 for May and June, 1973, and those of DYS being understated by the same amount.

To further illustrate the fiscal irresponsibility of the Department, a memo was found addressed to the Director of Administration, DYS, from an internal auditor regarding a program which has received in excess of $500,000 from DYS. This memo indicated that the accounting system was "atrocious" and that it was "virtually impossible to maintain decent budgetary control."

The memo went on to question an "overhead" charge of $39,590. The auditor felt that this charge was unacceptable and advised against further payment to the program until the matter could be resolved. DYS continued payments to the program and did nothing to correct the records being maintained in the charges for overhead.

In order for staff of the Post Audit and Oversight Bureau to determine how funds were being expended by providers of service, it was necessary to review the records of the contractors, since DYS could not supply any detailed information on these expenditures.

The indifference of DYS to the finance laws of the Commonwealth, regulations issued thereunder, and budgetary requirements, in its handling of public funds is demonstrated by the manner in which it interchanged roles with the Department of Public Welfare for a period of two months when its own funds had been spent. There is a statutory prohibition against the transfer of appropriations between state departments, each department having to live within the amount of money allocated to it by the Legislature. Nevertheless, with the acquiescence of the Commissioner of Public Welfare, the DYS Commissioner transferred the cost of supporting 160 juveniles in the custody and care of DYS to the Welfare Department and the Welfare Commissioner accepted the liability at a total cost for May and June, 1973, of approximately $200,000.

The youths never left the care of the Department of Youth Services. Bills for their board, however, were sent to the Welfare Department which paid them. There is no evidence that the Comptroller was ever consulted on this stratagem.

The DYS Commissioner justified this action on the theory that the youths referred to Welfare are D.C.G. (Division of Child Guardianship) eligible by virtue of their economic and family status. This is a DYS rationale without basis in law.

The Commissioner further claimed that the subsidization "was authorized by the Executive Office of Human Services" but he could not document his statement. The Executive Office of Human Services has failed to furnish the Post Audit Bureau with any evidence to support the Commissioner's claim.

The end result was that the following programs, with whom DYS children had been placed, were compensated for services rendered to DYS during May and June, 1973, by the Department of Public Welfare.

NAME	NO. OF YOUTHS "TRANSFERRED"
Robert F. Kennedy Action Corps*	23
Madonna Hall	32
Valley View Farms	6
Downeyside Homes Inc.	31
American School for the Deaf	1
Stetson Home for Boys	8
Protestant Youth Center	22
Walker Home	10
New England Home for Little Wanderers	11
Rockland School	16
TOTAL	160

*For the month of June only

In addition to transferring its obligation for the support of some of its juvenile charges to another state department, DYS was found to have paid providers of service out of a variety of DYS accounts, depending upon the availability of funds, and without regard to the purposes for which the accounts were set up by the Legislature. For example the Community Aftercare Program was supported by money out of several accounts including the Residential Care Program account (4202-0021). The appropriation act of 1973 stated that this account was to be used for "a certain residential care program." Nevertheless, DYS paid $117,702.24 out of this account to the Community Aftercare Program, a non-residential care program, in violation of the explicit language of the appropriation act. The state agency acted in defiance of a legislative mandate by improperly charging these expenditures to this account and the payments made should not have been approved by the State Comptroller during his pre-audit function. Many other payments were found to have been charged to improper appropriation accounts by DYS.

In a discussion of DYS finances, it is appropriate to point out that the Commonwealth has expended large amounts in capital outlay funds to maintain, improve, and expand state institutions which have since been closed by DYS. For the period 1965 through 1972, an amount of $5,935,039.00 was expended, and in fiscal 1971 and 1972 alone, an amount in excess of one million dollars was expended on facilities which had been closed or were in the process of being closed. The details of these expenditures can be seen in the following table:

DEPARTMENT OF YOUTH SERVICES
CAPITAL OUTLAY EXPENDITURE*
FY 1965 – 1972

NSTITUTION	1965	1966	1967	1968	1969	1970	1971	1972	Total
yman School Vestboro	16,847	22,547	16,554	26,654	96,855	228,523	96,029	21,873	525,882
ndustrial Sch. ancaster	34,453	29,695	68,624	64,605	112,235	129,942	89,753	73,794	603,101
ndustrial Sch. hirley	732,701	259,870	189,894	85,440	54,148	112,498	237,415	67,988	1,739,954
J. G. ridgewater	11,878	1,634	477	–	–	–	–	–	13,989
T. U. akdale	7,599	1,446	84,903	794,928	211,547	5,899	8,995	–	1,115,317
orestry Camp rewster	19,136	5,282	767	4,748	38	10,075	16,031	–	56,077
T. C. opsfield	–	–	–	–	–	1,284,000	84,767	101,916	1,470,683
orcester etention	1,846	7,503	1,487	832	–	–	–	–	11,668
estfield etention	4,467	2,159	5,338	1,186	–	–	–	–	13,150
oslindale etention	8,973	13,746	15,139	10,138	35,050	9,315	2,647	269,252	364,260
amaica Plain etention	2,929	8,270	1,650	4,264	–	–	3,083	762	20,958
	840,829	352,152	384,833	992,795	509,873	1,780,252	538,720	535,585	5,935,039

FIGURES DEVELOPED FROM ANALYSIS OF BOND FUND ACCOUNTS.

The Budget

In view of the fact that the total spending for DYS has more than doubled over the last five years, it does not appear that deinstitutionalization is a less costly means of caring for delinquent youth. The Department has tried to explain the drastic increases in its budget in its Annual Report for 1973. The following factors were given as reasons for such an increase.

Department Claim -

A. The budget still reflects the institutional care that was being provided prior to 1972. These items represent $2,700,439, a significant drain on the fiscal resources of the Department.

Bureau Response -

Although the budget reflects costs for the maintenance of institutions, the figure given by the Department of $2,700,439 has been overstated and includes payroll amounts of individuals which are presently staffing the regional offices.

Department Claim -

B. The better qualitv of services and an increase in referrals by the courts has led to a significant increase in the DYS population.

Bureau Response -

The Department has not been able to substantiate its contention that the quality of service has improved under purchase of service.

Department Claim -

C. The community-based care being provided through private agencies has necessitated the following, which represents additional cost.

1. the regionalization of departmental functions.
2. a tracking and informational system to monitor the children in private programs.
3. an evaluation unit which has been functioning since 1972 with the purpose of evaluating the effectiveness of private sources.

Bureau Response -

The additional costs caused by regionalization, a tracking and information system and an evaluation unit, were all necessitated as a result of purchase of service and, therefore, have to be included as part of the cost of purchase-of services and added as an overhead factor.

Department Claim -

D. The community-based programs attempt to fully utilize private and public resources. These supplementary community services increase the financial impact of community-based programs.

Bureau Response -

Supplementary community services are also a direct result of community-based programs and should, therefore, be added as an overhead item in computing per capita costs for purchase of service.

Department Claim -

E. The federal monies provided to the Department by the Law Enforcement Assistance Administration demand matching dollars from the State.

Bureau Response -

The state funds needed for matching federal funds has caused no substantial increase in the overall budget. In fact, the Department testified at a Ways and Means hearing that the amount appropriated for this purpose in 1974 of $400,000 could be reduced to $150,000.

In conclusion, many of the items which the Department has stated as reasons for the increased budget were a direct result of the purchase of service approach and, therefore, should be included in the total cost of purchase of service.

JUDICIAL QUESTIONNAIRE

SUMMARY OF REPLIES

JUDICIAL QUESTIONNAIRE

The Department's Planning Capability Unit had listed improved relations with the Commonwealth's Juvenile Court Justices as one of the criteria by which the success of deinstitutionalization could be gauged.

In light of this contention, a questionnaire was sent to judges in the Commonwealth who handle juvenile cases in the first instance. The purpose of this questionnaire was to obtain statistical information as to the working relationship between the juvenile court system and DYS, the effectiveness of existing programs, problem areas encountered by the courts, and suggestions for the improvement of programs dealing with juvenile offenders. A total of fifty responses were received from seventy-one courts.[1]

During Fiscal 1973, a total of 21,320 formal cases were heard before the fifty courts that responded. These cases resulted in a total of 1455 juveniles, or 6.8%, being committed or referred to DYS. This percentage of commitments or referrals to formal cases is consistent with the rate over the past six years. Four hundred and eight juveniles, or 28% of the 1455 youths, were either returned to their communities by DYS and subsequently reappeared in court on new charges, or escaped from residences in which they were placed by DYS only to show up in court again with new charges.

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[1] See Exhibit F

Inasmuch as these figures only deal with one year, they statistically understate what the Department refers to as recidivism or recommitment. This is because some youths may not have been committed until the eleventh month of the fiscal year and some may not have been returned to their community during the fiscal year.

Eleven of the judges responding felt that the closing of the state's juvenile institutions was justified. The basic reasons given were:

A. The past system was a failure, with little or no rehabilitation for juveniles within the institutions.

B. Community involvement and private agencies provide a much better method of rehabilitation.

Thirty-eight judges felt that the closing of the state's juvenile institutions was not justified. The basic reasons given were:

A. Deinstitutionalization provided no real alternatives. The closing down of all juvenile facilities without tested alternatives created chaos both in DYS and juvenile courts.

B. Some juveniles better controlled and supervised in an institution.

C. The Commonwealth no longer has the facilities it needs to provide adequate care, custody, supervision, education, or training for the large percentage of 1) repeater offenders; 2) serious offenders; and, 3) recidivists who are not being reformed by placement in community based treatment programs.

D. Due to lack of facilities, youths are being released after too short a period in custody.

In answer to the question as to whether DYS should maintain maximum security institutions, forty-eight of forty-nine judges responding answered in the affirmative.

With respect to the Justices' opinions as to the percentage of juvenile offenders that belong in a maximum security facility, the following responses were received:

Percentage of Offenders	Number of Judges
0 - 5%	30
5 - 10%	11
10 - 15%	2
15 - 20%	2
Unanswered	5
Total	50

On the question of the court's attitude toward the community-based treatment approach, eleven judges felt that the program should continue as is, thirty-six judges felt the program should continue with modifications, and two believed the program should be discontinued. Thus, 72.3% of the Justices are of the opinion that the community-based treatment program should be continued, but with necessary modifications to eliminate programmatic and/or administrative problems.

With regard to placement problems, many Justices expressed the view that DYS has been lax in failing to ensure that an adequate number of diversified placements were developed. A shortage of placement slots for the more serious offenders was emphasized.

The Justices complained of problems occurring with particular private agencies. Questions regarding the competence, diligence and expertise of several private agencies were raised.

In the area of comments and suggestions, the Justices revealed in many cases their complete lack of confidence in DYS as presently operated, and called for another examination of its policies and procedures. Many Justices cited the fact that there are, at the present time, no secure placements for seriously troubled youths or youths in serious trouble.

This lack of confidence has been best exemplified by the significant increase in the number of juveniles who have been bound over for trial as adults. According to the Commissioner of Probation, the best estimates, since no records are currently available, are that 35 youths were so bound over in 1970 and 1971 while the numbers increased in 1972 and 1973 to 135 and 128, respectively.

The following summary of replies to other questions asked of the judges provides a cross-section of how the courts view the reorganization of DYS. Responses have been grouped into three areas:

A. Placement problems

B. Problems with private agencies, and

C. Suggestions or comments.

Summary of Replies to Questionnaire

A. Placement Problems

1.
Falmouth
(ct-15)

"Problems encountered have to do with the lack of community based program. The programs do not have openings at the time the juvenile delinquent is before the court."

2.
Amesbury
(ct-1)

"By law, the placement problems are a responsibility of the Division of Youth Service. From observation and experience, there have been delays in placement while the Division of Youth Service does not appear to have enough facilities to provide long term care and custody for those delinquents who are not smart enough, stable enough, strong enough enough, or mature enough to live in free society without engaging in repeated law breaking."

3.
Lawrence
(ct-23)

"We have found that many juvenile offenders have not been placed or spend a short term in placement and then are returned to the community. These children include most of the children who should be in secure settings."

4.
Woburn
(ct-49)

"The problems that have been encountered as far as placement is concerned as a result of the institutions of the community based program is that there is such a limited number as far as placements are concerned. As is indicated each area has only a number of certain placements per month, thus this limits each court a great deal as to what is available through the community based program. The problem has been that the placement is needed but that the slots for that particular month have all been filled."

5.
Wareham
(ct-44)

"Yes. It appears that it is more difficult to secure placements for girls (Stubborn Child; Runaway with repeated Court appearances). Also, it seems that a youngster has to continually develop a serious record before placement can be considered. The referral program is generally long and cumbersom and fails to take care of immediate needs."

6.
East Boston
(ct-12)

"On a number of occasions unqualified individuals have been employed by community-based programs and their contact with juveniles has been detrimental."

B. Problems with Private Agencies

1.
Salem
(ct-37)

"Most of the private agencies are very selective and only take juveniles that are low risk. When a juvenile fails in a placement, their follow-up, written reports, and reports back to the court are often very slow and sometimes very poor."

2.
Malden
(ct-27)

"As a result of the DYS inadequate preparation for the transition obviously private agency's have been unable to make their own facilities available at times."

3.
Cambridge
(ct-6)

"The Andros Program is a failure in my opinion. They do not successfully control the seriously delinquent boys referred to them. They have hired inadequate and unqualified personnel, and the Andros experience appears to have done more harm than good in some instances.

"I don't believe the Commonwealth should turn over to any private agency the delinquents who present a serious danger to the public."

4.
Quincy
(ct-36)

"The Andros Program should be looked into carefully as to quality of staff, method of keeping statistics actual rehabilitation programs in effect and overall philosophy of objectives, claims of secure settings have proven false. Also, at least one report received at this court is known to be falsified as to its content."

5.
Wareham
(ct-44)

"The court staff does not deal directly with the agencies involved as this is a function of the Department of Youth Services. The Probation Staff has indicated that apparently there have been problems which have developed between DYS and the agencies they have contracted with."

6.
Brockton
(ct-5)

"JUDGE BAKER GUIDANCE CENTER - Psychiatric reports often are a rehash of probation records.

"DARE CROSSROADS - Interference by counsellors, no notification of runaways."

7.
(East
Boston)
(ct-12)

Most private agencies are not staffed with qualified personnel either by training or by moral aptitudes.

"Personnel of these community-based programs do not have the supervision authority to discipline and seek court complaints if the occasion occurs.

"Many 'advocates' in these private agencies are individuals who have excessive personal problems and cannot properly advise or supervise juveniles."

8.
Fitchburg
(ct-16)

"Agencies have not been paid. Youngsters are being returned to the Community and the Court who have been adjusting well and were happy in placement. Good relationships which Probation Department has had with these Agencies has been disrupted."

C. Suggestions or Comments

1.
Falmouth
(ct-15)

"A maximum security detention area and a place for long term commitments should be made available to the courts. There are some children that come before the court that we have placed seven or eight times in different programs and halfway houses to no avail.

"These delinquent youths are the ones that everything has been done for in terms of placement, and they refuse to respond. These are the ones that judges will begin to dismiss juvenile complaints against and will order adult complaints to be issued. If this suggestion is continued to be ignored by the Division of Youth Services, I foresee more people under the age of 17 being committed to a department of correction facility."

2.
Attleboro
(ct-2)

"I think a good administrator with complete control of DYS who would spell out to all employees what their actual job is, so that overlapping or duplication is eliminated. Also develop better communication between DYS and the courts, the police and all institutions."

3.
Salem
(ct-37)

"Most of the programs that I have knowledge of have very limited understanding of the juvenile court system. If a program gets started for juvenile offenders, the initiators or sponsors of the program should have a good background and understanding of the court system."

4.
Amesbury
(ct-1)

"The most conspicuous failure of the Division of Youth Service has been its inability to provide adequate controls for the majority of its population who are not being 'reformed' by the Community-Based treatment programs.

"1. Have the top level administrators in the Division of Youth Service adopted fair and reasonable controls over the many millions of Federal and State Tax dollars spent to pay for private contract services?

"2. Would an honest, fair, reasonable and mature adult place male and females delinquents in co-educational treatment facilities if they were honestly, sincerely, and intelligently concerned in providing these troubled youngsters with the care and protection they need against their own lack of physical, emotional, and mental maturity?

"3. Would an honest, fair, reasonable, intelligent, and mature adult suggest it reflects sound judgement to place juvenile law breakers under the care, custody, or supervision of adults who have lengthy or serious delinquent or criminal records or with adults who are on Probation or Parole as criminal offenders?"

5.
Haverhill
(ct-20)

The present operation of the Division of Youth Services makes a mockery of Juvenile courts and the police. It not infrequently happens that a juvenile commited on a Court order is back on the street the next day laughing at the police and full of derision for the Court. The attempt at establishment of so-called half way houses may well be a useful part of the administration of the Division of Youth Services, but it is deplorably inadequate to totally support the authority of the police and the Courts. What is badly needed are adequate places of security with enforced custodial care."

6.
Lawrence
(ct-23)

"The Roslindale unit appears to be out of control. Children have returned to the Court with burn marks on arms and telling us of sexual molestion by other inmates, being beaten by groups of boys on a daily basis."

7.
Malden
(ct-27)

"'The revolving door parole system' of DYS ought to be carefully scrutinized. Our Juvenile Probation Dept. can give you statistics for example: A 17 and 15 year old co-defendents being committed for the serious crime of manslaughter and murder. The 17 yr. old was institutionalized and the 15 year old sent to DYS and within weeks the 15 yr. old was returned to the community. It is difficult to assess the feeling of the community and the feelings of the 17 year old's family, who remained incarcerated, as against the freedom given the 15 yr. old by the DYS."

8.
Somerville
(ct-38)

"The problem seems to be that many groups and organizations were awarded contracts to work with juveniles with no guidelines, no pre-contract evaluation, no on-going evaluations, or professional backup support. Innovative programming is always welcomed, but it must be implemented by professionals and it must be practical and realistic."

9.
Brockton
(ct-5)

"I feel that many times the Dept. of Youth Services received inappropriate referrals because of the lack of cooperation and services of the Division of Family and Children's Services (DCG). There are many cases that should be placed by D.C.G. even though the children have been adjudicated delinquent.

10.
Charlestown
(ct-7)

"The Department of Youth Services is in a chaotic condition with a complete lack of proper control, supervision and confinement of the youth committed to the said department.

"As to where the fault lies is open to debate since the department's greatest asset is stock answers and excuses; obviously the problems must originate from weak administration.

"The past few years have given rise to an erroneous theory that all children committed to Department of Youth Services are the products of misunderstanding and are guilty of being only truants and runaways. This propaganda has caused well-intentioned people to clamor for the closing of County Schools and security placements. The truth of the matter is that our teen-age youth is quite capable of the entire spectrum of crime and pursue the same. The truth of the matter should be brought into sharp focus. The questions must be asked as to why the Department of Youth Services is treating a shoplifter, a murderer and a rapist in the same manner.

"I submit that the prime cause or fault with the Department of Youth Services lies in G.L. Chapter 120. A reading of this chapter reveals that the Director of Youth Services has enormous power to set rules and policies using his own interpretation of what said person feels is proper. Thus, the whole juvenile detention system will move in the direction of the idealism of the Director whether said person be liberal, radical, conservative and ultra-conservative. Obviously, the Director may well be operating within the dictates of the statute by acting contrary to the intent of legislation.

"I would suggest that Chapter 120 be changed to insure that the whims of one or two people cannot affect the entire system. The state of matters right now centralizes too much power and interpretation in the hands of the Director.

"A reading of Chapter 120 must raise questions as to its loosely written language.

"Section 6 is an area of excessive abuse of power. It is too broad in scope and should be amended to state that any child committed to Department of Youth Services must be retained in custody for a period of not less than ninety days.

"Section 12 is another trouble spot wherein the Director is sending children right back home within a day or two after the Court has ordered committal. It should be noted that the Department of Youth Services does not seek the approval of the committing Court but rather acts on its own.

"Section 13 is a further problem area. Escapes are not reported and escapees are treated as runaways.

"The fact is that escapees are not reported to the police and escape warrants are not sought in the Courts.

"A person who escapes and is subsequently captured shall be placed in maximum security for a minimum period of three months.

"The police shall be notified immediately of an escape or absence. Failure to do so should result in a penalty upon the person in charge of the facility, school or home.

11.
East Boston
(ct-12)

"I would strongly suggest that any juvenile committed to the Youth Service Board should be held at a security facility for at least a period of 4 - 6 months, wherein he may receive some training and education prior to his parole. While said juvenile is at said facility, the Youth Service Department should have social workers working with the family of the juvenile to assist them in coping with the juvenile's behavior so that when said juvenile is paroled, the family will have a better understanding as to the rearing of said juvenile.

"It is further strongly recommended that parole officers be afforded the opportunity to return to the Youth Service Board any parolee who violates his parole."

CONCLUSION

12.
East Boston
(ct-12)

"A survey in six Suffolk county courts relative to recidivism among parolees from the Youth Service Board in the year 1971 shows the following:

COURT	COMMITTED	REPEATERS	RECIDIVISM
Boston Juvenile	105	96	91.4%
East Boston	25	24	96.0%
Chelsea	26	24	92.0%
Charlestown	8	6	75.0%
West Roxbury	42	39	92.8%
Brighton	11	8	72.7%

"The recidivism among parolees at the East Boston District Court for the year 1972 is as follows:

East Boston	22	54	245.4%

"From July 1, 1972 to July 30, 1973, 19 parolees were before the East Boston District Court, five of which had their delinquency dismissed and adult complaints issued wherein the juveniles were bound over for Superior Court.

"These juveniles bound over have lengthy records and the Youth Service Board could not cope with them as they repeatedly reparoled them after being committed.

13.
Gardner
(ct-17)

"Newly implemented department programs lacked planning. Many of these programs in the State are now defunct, leaving us with considerably less service than that previously afforded.

CONCLUSION

The establishment of a new Department of Youth Services in 1969 heralded the advent of a different approach by the Commonwealth of Massachusetts in the treatment of juvenile offenders. Prior to that year, the Department was an institition oriented agency and the results of its efforts at rehabilitation were met with much criticism and dissatisfaction.

While establishing the new department, the Legislature created four bureaus therein: the Bureau of Clinical Services, the Bureau of After-care, Delinquency Prevention and Community Services, the Bureau of Educational Services, and the Bureau of Institutional Services. It provided for the appointment of a Commissioner, a Deputy Commissioner, and an Assistant Commissioner for each of the bureaus, and established the qualifications required for appointment to these positions.

The Legislature defined the duties and responsibilities of the Department, its bureaus, and its officials, among which was a mandate to the Bureau of After-care and its Assistant Commissioner to develop alternatives to institutional care. Lest the new statute be too restrictive or render the Department structurally unsound, an opportunity was afforded the new Commissioner to recommend changes to the Legislature.

The intent of the Legislature was clear. The Department was directed to realign its programs within the framework of the new statute and, simultaneously, to develop alternatives to institutionalization for presentation to and acceptance by the Legislature.

All of the ingredients for success were present: a new department, new officials, new mandates, cooperation from the Legislature, including the President of the Senate and the Speaker of the House, and support from the Governor and news media. Given all these factors, it is most reasonable to assume that a proper implementation of the legislative mandate would have resulted in a departmental program for the treatment and rehabilitation of juvenile offenders which could serve as a model for other states to adopt. That this situation did not result is, at best, unfortunate and, at worst, tragic.

Upon assuming control of the Department of Youth Services, the new Commissioner moved slowly in implementing the legislative mandate. Instead, he directed his time and effort to recruiting federal funds to operate programs which he personally ordained. He employed consultants to fill unscheduled positions at salaries inconsistent with the state classification plan and in conflict with state personnel and civil service regulations.

The Commissioner, unmindful of his responsibilities under the law, proceeded to use federal funds made available to him by the Governor's Public Safety Committee to establish a Planning Capability Unit and seven Regional Offices, not for the purpose of presenting the Legislature with alternatives to institutionalization, but for the actual implementation of a "deinstitutionalization" program. This action involved the closing of institutional facilities under the jurisdiction of the Department, and the placing of juvenile offenders under its control and supervision either with private agencies on a purchase-of-service basis or paroling them to their own homes or to those of relatives. The theory behind this approach, viz., better quality of service at less cost and with much greater rehabilitative value, may have been sound. The end result, to date, has been disheartening. The departmental program of deinstitutionalization from its inception to the present might be termed "Enlightened Philosophy - Fiscal and Administrative Chaos."

The now recognized administrative incompetence of the Commissioner, coupled with his utter disdain, at times, for the laws of the Commonwealth, left the Department of Youth Services, at the time of the Commissioner's resignation, without a coordinated system for the treatment and rehabilitation of its juvenile offenders. His arbitrary closing of departmental institutions, which had been established by law for the supervision and treatment of delinquent youth, and his failure to make adequate preparations for the implementation of the deinstitutionalization program which he espoused and fostered but for which he never formally sought legislative approval, resulted in financial and programmatic turmoil, poor placement procedures, and inadequate supervision. His additional failure to provide for continued monitoring of the programs he sponsored served only to compound the situation.

The legacy left to the Commonwealth by Commissioner Miller upon his departure for the State of Illinois is closed departmental institutions to be sure. He has also bequeathed, however, insufficient maximum security settings for that number of juvenile offenders which the great majority of individuals dealing with the problem agree are necessary, a demoralized department, and an ill-supervised private placement program which has resulted in increased runaways (escapes) deaths, and other attendant consequences.

It is unfortunate that, due mostly to unnecessary occurrences, the intended success of an innovative program for the treatment and rehabilitation of juvenile offenders failed of fruition. This report, however, should not be regarded as a condemnation of a philosophy. We accept the principles espoused in "deinstitutionalization," while at the same time, we decry the manner in which it was perpetrated. It remains now for all concerned, Executive, Legislature, and the Courts working together, to establish the necessary guidelines and parameters in order not only to assure a successful program of treatment and rehabilitation of juvenile offenders based primarily on non-institutional care and supervision, but to guarantee that the rights and safety of the citizens of the Commonwealth are protected.

To this end, we have submitted legislative and administrative recommendations as part of this report.

AGENCY RESPONSE

EVALUATION OF AGENCY RESPONSE

The Commonwealth of Massachusetts
Department of Youth Services
73 Tremont Street, Boston, Mass. 02108

May 2, 1974

Honorable Gerald Lombard
Chairman, Legislative Post Audit Committee
State House - Room 101
Boston, Massachusetts

Dear Mr. Chairman:

Enclosed herewith are the responses of the Department of Youth Services to the findings of the report by the Legislative Committee on Post Audit.

I wish to extend my appreciation for the opportunity which you have afforded me in allowing these responses to be included in your report.

Sincerely,

Joseph M. Leavey
Commissioner

Enc.

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF YOUTH SERVICES

oOo

RESPONSE TO THE MANAGEMENT AUDIT OF THE JOINT COMMITTEE ON POST AUDIT

oOo

JOSEPH M. LEAVEY, COMMISSIONER

From October, 1969, through June 30, 1973, the Department of Youth Services has been in the throes of a difficult reorganization. No longer could the institutional-custodial model be tolerated, for our adult prisons were overflowing with former DYS wards. Recidivism rates were neither better, nor worse, than other sister states throughout the country, running from a low of 60% to over 90% for our younger wards. It was readily apparent that the longer one was held in an institutional setting, the greater the chance one had to recidivate. It was clear, therefore, that the traditional methods of dealing with delinquency were a massive failure, a national scandal of unrealized proportion that was literally destroying thousands of lives yearly.

The original intent of the Department in 1969 was not to close institutions, but to begin to make them more responsive to the needs of children. This action was viewed by many as over permissiveness which worked at cross purpose with the culture that had evolved within these institutions.

In time, it became readily apparent that there was no discernible way to make institutional life a humane, caring existence which would prove beneficial to the wards entrusted to our care.

As a result, plans were developed to "deinstitutionalize" and substitute, instead, community based treatment through increased purchase of service from the private sector.

This decision meant that the Department was going to go through a period of massive organizational change, for we would not be merely putting new labels on old programs, we would be attempting to develop a totally new method of dealing with the problems of delinquency.

Most studies of organizational change highlite as the central and over-riding theme the degree of confusion and the countless "incidents" which unfortunately occur during periods of organizational change. DYS was no exception to this rule and much of the confusion is the subject of the report of the Joint Committee on Post Audit.

While the Committee takes pains not to be critical of the ideology of deinstitutionalization and community-based treatment, and in fact indicates their approval of the direction the Department has moved, they have leveled criticism on the Department in the following areas:

Job Qualifications:

The Committee has commented that the present Deputy Commissioner; Assistant Commissioner, Bureau of Clinical Services; Assistant Commissioner, Bureau of After-care, Delinquency Prevention and Community Services; Assistant Commissioner, Bureau of Educational Services; and the Assistant Commissioner, Bureau of Institutional Services do not possess the statutory qualifications required.

Response:

> At the present time only two of the above positions are being utilized as provided in the 1969 reorganization. Of these two positions, it is the Department's interpretation that these persons are, indeed, qualified for the positions they hold. However, we are awaiting, and will abide by, the interpretation of the Attorney General's Office in this regard.

Mandated Duties:

The Committee expressed concern that the Department has mandated to the regional directors many of the responsibilities of the Bureau of Clinical Services, and that the Bureau of Aftercare, Delinquency Prevention and Community Services may *develop* alternatives to institutionalization, but may not *develop and implement* such alternatives. They further comment that the Bureau of Educational Services and the Bureau of Institutional Services have been administratively dismantled.

Response:

> While it is true that the Bureau of Clinical Services has delegated some of its responsibilities to the Regional Offices, the net effect has been a desirable one, with the needs of delinquent children being responded to much more readily at the local level.

As to the second charge, the 1969 enabling legislation gave our Department the power to develop alternatives to institutional supervision. We feel that implementation of these alternatives was certainly intended, if not mandated, in the law.

On the matter of the administrative dismantling of the Bureaus of Institutional and Educational services, the Department has requested that the Legislature no longer fund the Department's closed institutions. We are no longer utilizing them, nor do we intend to conduct educational classes within them.

Use and Misuse of Federal Funds:

The Committee contends that the legislative intent, as evidenced by the Massachusetts General Laws, annual appropriation acts, and other legislative enactments, frequently has been negated by the manner in which agencies have utilized funds to ignore legislative control and guidelines.

Response:

The mandate to change the methods of dealing with delinquents was clear. The administrative structure legislated in 1969, while far superior to its predecessor, proved to be inadequate to meet the Department's needs as it evolved from an institution-oriented agency to one where purchase of service from the private sector was the primary factor.

Unfortunately, while moving from one treatment modality to another, there is no way to dismantle one treatment modality while developing a new one. In effect, there is a diad or a dual system though they do not complement one another. As there are not sufficient funds within the staff appropriated budget to operate both systems, then additional areas of funding must be sought.

The Committee commented specifically on the use of federal funds in the following areas:

1. The Planning capability unit, financed with federal funds, was a failure.

Response:

It would appear that the Committee's contention that the planning capability unit was a failure was due more to the fact that the unit was never funded by the Legislature, than for the fact that it was incapable of performing successfully.

2. Federal funds were used to set up an Office of Fiscal Management, with similar results.

Response:

With an increasing amount of federal and state funds flowing into the Department, the use of federal funds to establish an Office of Fiscal Management is in keeping with sound business practice. As to it being a success or failure, this is judgmental and the Department would obviously disagree with the Committee.

3. The Executive Director of Fiscal Management and his two assistant directors lacked experience and knowledge of public administration specifically at the state level.

Response:

Once again this appears to be a case of Committee staff making a judgment that is obviously at variance with the Department.

4. That the Department failed to follow the recommendations of a federally funded study to assess the existing fiscal systems and procedures and to expedite the development of an effective financial accounting and reporting system.

Response:

As of this date, April, 1974 the Department had implemented the majority of the recommendations in the study and, in addition, had developed the capability to monitor purchase of service expenditures on a weekly and monthly basis, by regions.

5. DYS has failed to review its own procedures, or to make its own recommendations or manuals, but has hired numerous consultants at the taxpayers' expense to perform studies of the Department which were never implemented.

Response:

Deinstitutionalization occurred as the result of departmental review of programs, as has the development of numerous residential and non-residential programs. DYS is one of the few agencies in the Commonwealth to have developed a full-time evaluation capability.

6. Former Commissioner Miller implemented regionalization even though the Commonwealth had never appropriated any funds for the establishment of district offices.

Response:

When regionalization was first implemented, the Legislature was not asked to provide funds as this program was, at that time, experimental; thus, it was funded with LEAA funds.

7. In Fiscal '72 and '73 funds were expended in the establishment and continued operation of regional office through LEAA grants.

Response:

True. Regionalization was of special interest to both the Department and LEAA.

8. The General Court refused to appropriate funds for regionalization in the Department's fiscal year 1974 budget, therefore calling on the Department to disband its regional offices.

Response:

False. The positions of the Regional Directors and Assistant Regional Directors were scheduled by the General Court, as well as the new position of Regional Coordinator. All of these positions are paid out of a state appropriated account and, as a result, legislative intent is obviously to allow the continuation of regionalization.

9. The Governor's Committee on Law Enforcement should be held accountable for: first, funding a program which is in violation of statute; and second, failure to monitor programs it has funded.

Response:

Regionalization is not a program in violation of statute, (see #8 above), and the Governor's Committee on Law Enforcement does, in fact, monitor programs (See LEAA Audit reports cited by the Committee).

Visuality Inc.:

The Committee summary on Visuality Inc. notes that the Department concedes that; (1) the services of Visuality Inc. could have been terminated after the initial computer printouts were supplied in September, 1972, (2) that the need did not exist for a sophisticated automated information tracking system as planned; and (3) that it could have implemented a manual system.

Response:

> The Department at the present time utilizes a manual tracking system, which is accurate but cumbersome. We are now developing a computer system to hasten tracking and improve planning. Comment on Visuality Inc. would be inappropriate now as the likelihood is that this matter will be resolved by court action.

Deinstitutionalization:

The Committee, in its comments on deinstitutionalization, refers to the fact that the Department "vests itself with the mantle of the advocacy agency in the state for children in trouble or needing help that is otherwise unobtainable."

Response:

> True.

Regionalization:

The Committee refers once again to the fact that it is in conflict with the law for non-employee consultants to (1) approve and sign placements, (2) approve and sign paroles, (3) approve cash grants for youths, (4) commit funds for out-of-state travel for staff and juveniles

Response:

> The Regional Directors, Assistant Regional Directors, and the Regional Coordinator are not non-employee consultants but are regular state employees paid

for out of 02 funds.

Closing of Institutions:

The Committee states that there were numerous violations of state procedures in the closing down of the major institutions in the Commonwealth.

Response:

> The Department agrees that in a number of instances normal state procedures were violated, although in most instances such violations were technical in nature and were due primarily to the confusion which accompanies any organizational change.

The Committee was critical of the use of the Juvenile Opportunities Extension Conference, which the committee claims was "poorly planned, hurriedly implemented and objectively confusing."

Response:

> The JOE Conference was primarily a mechanism to assist in the closing of the Lyman School for Boys. Some of the problems encountered in the closing of the Institute for Juvenile Guidance and the Industrial School for Boys were avoided because of JOE. For further explanation see Harvard Law School report on this project.

Northeast Training Center and Residential Unit, Topsfield

The Committee commented that "despite the fact that the Legislature mandated this facility as a replacement for Bridgewater, DYS never complied, although it did close the institution at Bridgewater."

Response:

> The purchase of this facility for all intents and purposes was completed prior to the Reorganization of the Department of Youth Services. Without assessing the blame, it would have been a physical impossibility to convert this facility into a maximum security unit.

The Committee expressed concern that several private non-profit agencies had been allowed to occupy space that the Department of Youth Services has declared surplus.

Response:

> For some time, we have been discussing future use of our state facilities with Administration and Finance and Ways and Means Committees. It is anticipated that these negotiations will all be completed by June 30, 1974. The Department attempted to insure that the Commonwealth would get maximum use out of these facilities.

Stephen L. French Forestry Camp, East Brewster

The Committee commented that the Homeward Bound concept operating at the Stephen L. French Forestry Camp must be judged as a programatic and rehabilitative success.

Response:

> The Department concurs with the findings of the Committee.

The Committee commented on the Department's rejection of plans to expand the forestry camp in order that it could accommodate 65 boys.

Response:

> The Homeward Bound concept, which the committee and this Department feels is successful, must maintain its high standard of quality. Program quality would be adversely affected by an increase in the instructor-pupil ratio. While safety standards in this program are high, we feel that doubling the population could necessarily cause needless injuries and lessen the individual treatment needed for such a program.

Middlefield Forestry Camp

The Committee noted that in violation of the General Laws Section 22 Chapter 7, the Assistant Director of Region One authorized the transfer of equipment from a closed Middlefield Forestry Camp to a private youth home.

Response:

> As noted earlier, the Department acknowledges that some violations did occur.

Closing of Institutions

Directing its attention to the personnel section of DYS, the Post Audit and Oversight Bureau found that it had, in effect, a non-functional role -- employee application forms were not required, payroll and other records were decentralized, no civil service examinations had been held since reorganization, and over 90 percent of the Department's employees were working outside their proper classifications. The practices engaged in by DYS in the personnel areas of hiring, promotions, transfers and recordkeeping have been chaotic. The personnel abuses involved cover the complete spectrum of employees, from the Assistant Commissioners to Cooks in the institutions.

DYS, under the absolute control of the Commissioner, has, since its reorganization, violated most, if not all, of the rules and regulations of the Division of Civil Service and the Bureau of Personnel.

Response:

> This is a over-dramatization of the situation as it appeared during the most active period of deinstitutionalization. As we moved from an institution-oriented Department to one where regionalization and purchase of service from the private sector was dominant, job titles and requirements changed drastically and in many cases were no longer applicable, but the child-related functions and needs continued.
>
> At the present time we have reorganized the personnel bureau. If the job titles and specification changes we have requested are allowed, we will be able, once again, to standardize our personnel procedures.

Public Employees working for Private Agencies:

The Committee charged that the practice of assigning state employees to work in private agencies was in violation of the rules and regulations established by the Bureau of Personnel. The problem was compounded by the possibility of violations of the conflict of interest statute as regards state employees negotiating with state agencies.

Response:

> This practice enabled community based programs to benefit from the experience of state employees and opened job opportunities for state employees.

Other Personnel Practices:

The arbitrary designation of certain "excess" DYS employees as foster parents has no justification in law or regulation. According to the Committee, these state employees were permitted to remain at home and received full weekly compensation, as well as allowances for the foster child or children in their homes.

Response:

> This practice has been discontinued by the present administration. For a certain period, it did provide good home settings for youth coming out of institutions.

Executive Response:

After examining a series of internal memoranda, the Committee concluded that the Director of Personnel, the Secretary of Human Services, and the Commissioner of Administration abrogated their responsibilities because staffing patterns were never provided for DYS facilities and regional offices. As a result, misclassifications are still the general rule.

Response:

> Staffing patterns for all DYS facilities and regional offices were completed several months ago. During the transitional stage, it is true that staff patterns changed continually--thus making a stable personnel organizational chart an impossibility.

FEDERAL EMERGENCY EMPLOYMENT ACT -

The Committee charged -

"The Federal Emergency Employment Act (EEA) of 1971 funneled money into the Commonwealth in order to facilitate the hiring by state agencies of unemployed people in various categories, such as Vietnam era veterans, minority group members, welfare recipients, and ex-offenders, or disadvantaged persons. In addition, the beneficiaries had to live in certain designated areas within the state. The entire program was administered by the Executive Office of Manpower Affairs, which channeled these funds into various state agencies, including the DYS.

"From such funds DYS hired fifty-two people of which twenty-four were ineligible because that agency failed to adhere to requirements of the federal law. This determination was made as the result of a joint audit conducted by the Office of Manpower Affairs and the U.S. Department of Labor.

"DYS's failure, once again, to follow the law resulted in the illegal expenditure of funds which constitutes a debt which the Commonwealth owes to the federal government."

Response:

> The Department employed 66 (not 52) employees under the Emergency Employment Act. Of this number, 35 (not 24) were found to be improperly hired, primarily because of residency requirements. Ten of the 35 were cleared administratively by reallocation of funds. As a result, the Department of Labor has assessed a $65,304.19 exception to the Department of Youth Services.
>
> Upon learning of this situation, the Department terminated all remaining EEA participants who were improperly hired. With the cooperation of the Office of Manpower Affairs, the former EEA participants were rehired into DYS slots, thereby paying off "in kind" the exception of the Department of Labor. This action had been completed by the end of 1973.

Civil Service:

The report comments:

"Under Commissioner Miller, civil service examinations were done away with, along with employment application forms; therefore, individuals were hired without any actual personnel records being kept."

Response:

> Civil Service exams have been held during fiscal 1974. As noted earlier, the DYS Bureau has recently been reorganized.

DYS Positions:

The report alleges:

"Though the Department has stated that they have from 400 to 500 excess employees, this study shows that 75 individuals were newly hired between January and June, 1973."

Response:

> The Department has requested that the Legislature delete approximately 200 positions from the fiscal 1975 budget.

New hires are a necessity to fill line positions at facilities like Roslindale, Westfield and Worcester. The Department attempts to offer such positions to existing personnel whenever possible.

Purchase of Services

The Andros Program:

1) According to the Committee, the Boston Mental Health Foundation was negligent in fulfilling its "complete responsibility for direction and supervision" of the Andros program. The Foundation did not closely monitor the program and acted primarily as a disbursement agent for the program.

Response:

While the Department agrees with the Committee that the Boston Mental Health Foundation "did not closely monitor the program," we feel that the use of the word "negligent" is somewhat unfair.

2) The Committee further alleges that the Foundation did little to control expenditures of the program and simply paid invoices as submitted by the program Director.

Response:

The Program Director must necessarily be given some degree of leeway in making programatic purchases.

3) "The Foundation charged overhead for administering the program in the amount of $44,600, of which $36,000 was found to be surplus per the bookkeeper's records."

Response:

Corrective action to alleviate this problem has already begun. (surplus funds will be returned)

4) "The Foundation disbursed petty cash funds without requiring that vouchers be submitted to substantiate such payments."

Response:

True. This practice is not permitted in any DYS-funded program.

5) "The accounting records maintained by the Foundation are not sufficient to reflect contractually established budgetary guidelines."

Response:

This fact was uncovered by a Department auditor sent to complete an audit of the Foundation's books.

6) "The Department (DYS) has done nothing to monitor the financial records of a program which has cost in excess of a half million dollars."

Response:

The Committee is aware that a Department auditor was dispatched to the Foundation. (see 5 above, also page 122 of Committee's report)

7) "The Department has established no requirements as to how financial records are to be maintained and has not required the reporting of financial data in order to monitor the program."

Response:

The Department has developed a "guide to the small Human Services Agency" which outlines the necessary steps to be taken in order to maintain proper financial records.

8) "The Department had not requested a rate from the Rate Setting Commission and disbursed an amount in excess of $500,000 in violation of specific budgetary language, Chapter 514, Acts of 1972, and Chapter 7, Section 30L of the General Laws.

Response:

This problem has since been rectified as of December 1, 1973.

9) "Prior to the involvement of the Boston Mental Health Foundation, the Andros program was operated under contract with Human Resources Institute, a corporation for profit, which is in clear violation with Chapter 18A Section I of the General Laws."

Response:

> The Human Resources Institute is no longer involved in the Andros Program. As soon as we became aware of this problem we insisted on the formation of a non-profit corporation as the vendor.

10) "The contract with the Mental Health Foundation called for the Foundation to bill the Department on the basis of the number of beds available and not on actual attendance. A recent visit to the Andros facility disclosed only twenty-nine of thirty-six beds being utilized."

Response:

> During the past 21 weeks, there was a weekly average of 32 beds being utilized.

Low Hills School Inc., Rivendell School

The Committee states: "inasmuch as DYS youth were in residence when this school was closed by order of the Governor of New Hampshire, we can only assume that, had the Governor not so acted, the youths would still be there."

Response:

> After describing accurately the conditions at this school, the Committee erred only in the above statement. Regional Directors had been told prior to the closing of the school that all DYS wards were to be removed and placed elsewhere.
>
> Information on the school was supplied by the Department's Evaluation Team to the Committee.

Xendelphia Inc., d/b/a/ Hyde Park House:

The Committee reported that, in their opinion, the activities of the principals involved raise serious questions as to the possibility of violations of the conflict of interest statute and other criminal statutes.

Response:

> As this matter has been turned over to the Attorney General, the Department will hold their response in abeyance.

The Committee's findings in the audits of the remaining LEAA-funded group homes were negligible. DARE, Inc.; the Lutheran Council of Central Massachusetts; the New England Home for Little Wanderers; Groupways, Inc.; and, the Walker Home were commended for their compliance with grant conditions and basic accounting guidelines.

"DYS must be severely criticized for its failure to monitor the expenditures of all of its residential programs, not only those funded by LEAA," the Committee charged. "The Department has inadvertently provided funds for the purchase of buildings, automobiles, and furniture for residences that no longer exist. It has found itself in the position of trying to salvage equipment and supplies from bankrupt agencies. Monies are owed and well-intentioned people have been hurt, but most serious has been the shortsightedness of the Department in failing to monitor expenditures and to assist in the day-to-day operation of fledgling private agencies."

Response:

The Department admittedly fell short of meeting its responsibilities for assisting some of the smaller private agencies during the early stages of deinstitutionalization. However, the program quality and financial accountability in a majority of group homes indicate the successful cooperation between the public and private sectors.

COMMUNITY AFTERCARE PROGRAM

The Committee commented that review of the resumes indicated no-one on the staff holds a graduate degree in social work, and only two employees had the required two years experience with DYS at the time they were hired.

Response:

> While a graduate degree in social work, or two years experience with DYS, might be desirable qualifications, there are many persons equally capable of dealing with children, who do not possess "professional" qualifications.
> The staff and volunteers of C.A.P. are sincere, dedicated, compassionate and enthusiastic. In the Department's opinion, these qualities out-weigh degrees, published writings, etc.

"Article II of the most recent contract states that 'The Corporation guarantees that the staff assigned to the program involved herein shall have expertise in the field of treatment and therapy for socially maladjusted children.' An analysis of CAP's organizational chart shows that in the Boston office some 36% of the employees have college degrees, and in the Worcester office 33% have college degrees. The remainder of the staff, for the most part, has had some college background, or are presently pursuing a college degree."

Response:

Please see previous response.

Further, while CAP's cooperation is pledged in any DYS audit, DYS has conducted no such financial audit since the program's inception in November, 1971.

Response:

Until late in fiscal 1973, the Department had not developed the technical capability to provide audits in the private sector.

FOSTER CARE PROGRAMS:

The Committee states:

(1.) Funds were provided to the Commonwealth by the Federal Emergency Employment Act as a source for the hiring of Vietnam veterans, minority groups, and individuals from socio-economically depressed areas. Once hired, these individuals would provide a labor pool for needed public service, and the knowledge and experience gained was intended to assist them in developing new careers, providing opportunities for career advancement and continued training, including on-the-job training.

The Department hired at least seventeen individuals as foster parents under this act. Their salary was set at $126/week plus three quarters of group insurance costs. They initially received $25 per week for board and allowance for each child they took into their home. On April 5, 1972, DYS increased the allowance for EEA foster homes to $45 per week per child. The Department has given no explanation for this increase. It is conceivable that some of these employees could have received as much as $5,000 tax-free for being the foster parent for two children for a period of one year.

Response:

> As previously mentioned, the Department no longer employs persons in this capacity.
> The increase is based on the experience of foster parents who are providing support for the youngsters.

BOARD AND ALLOWANCE ACCOUNTS

The Committee commented the Board and Allowance Advanced Account "clearly demonstrates the manner in which the Department has functioned since the start of the Miller administration. Commissioner Leavey has chosen to follow Miller's lead in the use of this account and has displayed a disregard for both the laws of the Commonwealth and rules and regulations which have been set down."

Response:

Personal expenses for children incarcerated in institutions were negligible. However, life in a community-based setting is far more normal; thus there is a need to pay for car-fare, lunches, recreation, and similar expenses.
In the past, the money from Board and Allowance was spent for items not within the category of this account.
This use of funds was necessary due to an acute shortage in the Purchase-of-Service budget. The practice has since been prohibited, and substantial reductions in this account are anticipated in 1974 and 1975.

Runaways and Deaths:

The Report States:

"In fiscal Year 1969, there were only two runaways from the Reception Center in Roslindale. For Fiscal Year 1973 there were 594 runaways. This number is compelling in view of the fact that this facility is the only "maximum security unit" that DYS has for referred or committed youths.

In the past four years, the statewide runaway totals have increased from 459 in Fiscal Year 1963 to over 1600 in Fiscal Year 1973.

Response:

As indicated earlier, the move from institutional to community based treatment has been a trumatic experience for both staff and children. When staff are upset, runs do increase.

We admit that there was an increase in the number of runaways from both DYS facilities and private residential settings.

Fortunately, both staff and children appear to be-coming more comfortable with this new system which was so alien to them.

One of the most heartening indices we have seen has been a marked decrease in runaways during 1974. In publically-run facilities, runaways have decreased to 50%. Private programs are also experiencing a decline.

This fact, along with the anticipated opening of two new security units for our most disturbed children, will provide the degree of security necessary. At the same time, the units will allow the Department to continue to provide humane treatment.

"Since October, 1969, at least 37 youths died while under the Department's care. Only two of the deaths could be diagnosed as being from natural causes."

Response:

The death of any youngster is a tragic occurrence. No responsible person can be unaffected by such an event.

Whether the death is by natural causes or from the ingestion of drugs, in auto accidents, or by suicide, this Department is aware of its responsibilities.

While some of these deaths could possibly have been prevented or at least delayed under a tightly-run institutional system, the end result of such a system is the gradual destruction of many more lives.

Of course, insinuations that the Department could avoid all suicides, drug overdoses, and accidental deaths in autos are illusory. We are working with some of the most troubled children in the State. Tragedies will occur--even with the careful precautions implemented by DYS.

DYS Finances:

Funding for the Department of Youth Services consists of state appropriations, bond funds, trust funds, and federal grants. A review of expenditures from these accounts for the five fiscal years 1969 through 1973 disclosed an increase in total spending from $8,006,905.61 in fiscal year 1969, prior to reorganization and deinstitutionalization, to $16,902,278.41 in fiscal year 1973. This represents an increase over a five-year period of 111.09%. In addition to the amount disbursed, the Department incurred obligations in fiscal 1973 in excess of $680,500 which remained unpaid at the close of the fiscal year.

Response:

> True. However, the report does not cite the fact that our active caseload has increased over a hundred percent during this same period. Considering the increased caseload, the temporary expenses of a dual system, and the rate of inflation, our budget growth becomes more understandable.
>
> With respect to our deficit, we have requested funds for meeting these obligations twice, but our requests have not been granted.

The Report alleges:

"Since DYS has changed its primary role from that of caring for juvenile offenders in departmental institutions to that of purchasing such care from private vendors, it has failed to take the necessary steps to assure that adequate controls exist over the millions of dollars of public funds that are being expended on contracts for the purchase of service and to tailor program reforms to stay within fiscal limitations."

Response:

> This charge has not been true since April of 1973 when the Department reorganized its purchase of service section in order to make it more responsible and responsive to vendors.

"At the close of fiscal year 1973, the Department actually would have exceeded its budget by $3,000,000 had it not been for a windfall funding from various sources."

Response:

The Department had anticipated receipt of Title IV-A funds and LEAA funds. Changes in our financial administration preclude significant cost over-runs in the future.

Judicial Questionaire:

" During Fiscal 1973, a total of 21, 320 formal cases were heard before the fifty courts that responded. These cases resulted in a total of 1455 juveniles, or 6.8% being committed or referred to DYS. This percentage of committments or referrals to formal cases is consistent with the rate over the past six years. Four hundred and eight juveniles, or 28 % of the 1455 youths, were either returned to their communities by DYS and subsecuently reappeared in court on new charges, or escaped from residences in which they were placed by DYS only to show up in court again with new charges."

Response:

Out of a total sampling of 21, 320 formal cases heard in fifty courts in the Commonwealth, 1455 Juveniles were committed or referred to the Department. 408 subsecuently reappeared in court again on new charges, which the committee infers is a failure rate of 28%.

By the committee's own documentations, these figures show a reduction in recidivision of approximately 42%- a significant improvement.

The Report States:

In answer to the question as to whether DYS should maintain maximum security institutions, forty-eight of forty-nine judges answered in the affirmative."

Response:

This Department is in full agreement with the majority of the judges and is at the present time establishing two additional intensive care units.

The Report States:

"With respect to the Justices' opinions as to the percentage of juvenile offenders that belong in a maximum security facility, the following responses were received:

Percentage of Offenders	Number of Judges
0 - 5%	30
5 - 10%	11
10 - 15%	2
15 - 20 %	2
Unanswered	5
Total	50 "

Response:

Once again this Department is in agreement with the majority of the judges polled.

The Report States:

" On the question of the court's attitude toward the community-based treatment approach, eleven judges felt that the program should continue as is, thirty-six judges felt the program should continue with modifications, and two believed the program should be discontinued. Thus, 72.3% of the Justices are of the opinion that the community-based treatment program should be continued, but with necessary modifications to eliminate programmatic and/or administrative problems."

Response:

The Department will continue to make the necessary modifications to eliminate programmatic and/or administrative problems.

CONCLUSIONS

The findings discussed in the Post Audit Committee's Report on the Department of Youth Services expresses full support for community-based treatment of youthful offenders, but raises questions regarding the implementation of the plan to close the institutions and develop a new service delivery system.

Of course, it is far easier to accept a theory than to live with its implementation. Ideas seldom affect anyone personally. However, putting philosophy into practice can--and often does--extract a significant price from those persons involved in the functioning of a bureaucracy.

The closing of the training schools, the reassignment of employees, the regionalization of departmental functions, the reliance on private services, and the change in attitude from punishing youthful offenders to rehabilitating them have all resulted in the most profound bureaucratic change in this State's history. The rapidity of this change created aministrative and fiscal problems.

However, these problems should not overshadow a truth which is evident to all who have seriously and objectively studied the Department--that young people are being treated with more humanity, professionalism, and genuine concern than ever before.

Recognizing this truth does not hide the fact that we must continually improve our range of services and quality of treatment. The Post Audit Committee, the Legislature, the Governor, and the taxpayers should expect no less. Any agency which purports to know all the answers and have all the solutions should be condemned as an outright sham.

We are continually evaluating the effectiveness of our services to youth. In the past, some programs have been found to be wanting, and our Evaluation Unit has suggested their closing. As Commissioner, I have followed the team's recommendations. It is important to emphasize that we have closed certain programs on our own initiative, and not on the initiative of other government agencies, or committees.

Since the Committee utilized the Department's evaluations to describe weak programs I cannot disagree with the findings but I would point out that we have over a hundred excellent programs servicing youth in this state and evaluations of a few poor ones do not characterize the standard of care demanded by this Department.

It should be pointed out also that many of the administrative problems of the Department outlined in the report were supplied by the Department and have since been remedied.

The Department of Youth Services can, by its very nature, never be a popular agency. We are charged with the responsibility for caring for youths who have become problems for their families, schools and communities. However, these youngsters are victims too. Most of them are from families living in poverty, from homes where alcoholism or drug addiction are often serious problems and where broken marriages are frequent. By this time, it should be obvious to all people that Dickensonian prisons will not "straighten out" these children, but only scar them more deeply. This fact is not reflective of conservative, or liberal thinking, but simply a common sense born out of working closely with troubled youngsters.

My greatest concern regarding this report is that the people of Massachusetts realize that any transition brings problems and yet the benefits of the new program far outweigh the failures. We are definitely headed in the right direction, now there is a need to stabilize and strengthen the program. To accomplish this we will seek and, I am confident, receive the continued support of the citizens, the Governor and the Legislature.

COMMENTS ON AGENCY RESPONSE

Prior to the publication of this report, the Post Audit and Oversight Committee reviewed its findings with the Commissioner and other officials of the Department of Youth Services and a representative of the Secretary of Human Services, and invited oral or written comments on its findings.

Following these conferences, DYS Commissioner Joseph M. Leavey availed himself of the opportunity to present his case vis-a-vis the report of the committee. The Committee is happy to include the comments of Commissioner Leavey in this report in the interest of full public discussion and the ultimate improvement of public service.

GENERAL EVALUATION OF AGENCY RESPONSES

The Commissioner's response to the findings of the Committee, while detailed, touches upon selected highlights and should be carefully considered in conjunction with the full text of the report. In several instances, the Commissioner has either incorrectly paraphrased sections of the report, taken its language out of context, or responded merely with editorial gratuity not constituting a response. In addition, many of the Commissioner's comments concern developments which have occurred subsequent to the time frame of this audit.

While the Commissioner is in general agreement with the majority of the Committee's findings, there are a few issues raised in the responses which require our comment.

JOB QUALIFICATIONS

The Commissioner has incorrectly paraphrased the language of the report and imports the thought that the opinion of the Committee concerned present incumbents of the positions enunciated. His response belies his own paraphrase. The Committee does contend that the present Deputy Commissioner does not possess the statutory qualifications and has been informally advised by the Attorney General that he is of like opinion. The question has become moot as to the other positions because they are either unfilled, or the incumbents referred to in the report no longer occupy such positions.

MANDATED DUTIES

The response contains an incorrect paraphrase relative to the delegation of duties and responsibilities of the Bureau of Clinical Services to the regional directors. The report states that this was done in violation of the statute and, while the Commissioner admits to it, he avoids the fact that it was done in contravention of the law. His contention that the net effect has been a desirable one, has been disputed by the Courts and the Department's evaluation unit.

With reference to the third sentence of the paraphrase, the administrative dismantling of the said Bureaus was a fait accompli far in advance of the Department's request for a termination of funding.

USE AND MISUSE OF FEDERAL FUNDS

The Commissioner's response, in this instance, is editorial in nature. The 1969 legislation provided that the Department evaluate the new organizational structure and advise the Legislature of any inadequacies. No such advice was ever forthcoming, nor was any structural change ever requested of the Governor or the Legislature.

1. Planning Capability Unit

The Commissioner contends that the Committee's complaint rests on the fact that the unit was not funded by the Legislature. An objective reading of the report will indicate that the Committee's belief was also shared by the Governor's Public Safety Committee which provided the federal funds to operate this unit, the majority of District and Juvenile Court Justices, and the Department's own evaluation unit.

2. Office of Fiscal Management

It is the Committee's opinion that the Commissioner's answer, in this instance, is unresponsive.

3. It is the Committee's opinion that the Commissioner's answer, in this instance, is unresponsive.

4. In responding to this finding of the Committee, the Commissioner, without elaborating, contends that a majority of the recommendations contained in the study referred to have been implemented as of April, 1974. This date is well outside the scope of our audit.

5. With respect to departmental review of its programs which resulted in deinstitutionalization, the Committee was unable to find any records to support this contention of the Commissioner. With reference to the Department's full-time evaluation capability, the report indicates when this became functional and the relatively small percentage of evaluations made during this audit period.

6. The Commissioner's answer is unresponsive and editorial in nature. The statute specifically provided that the Department could regionalize only after the Legislature had appropriated funds for the purpose.

7. During these two fiscal years, the Department had not requested nor had the Governor recommended state appropriations for the purpose of regionalization.

8. Once again, the Commissioner has incorrectly paraphrased the language of the report. The report does not call on the Department to disband its regional offices and, with respect to Legislative approval of certain positions, it must be noted that this approval became effective outside the time frame of this audit.

9. In this response, the Commissioner again employs his interpretation of the statute.

DEINSTITUTIONALIZATION

In this instance, the Commissioner has taken the language of the report out of context. The report states that the Department assumed the mantle of advocacy agency without the approval of the Governor or the Legislature and this is true. Furthermore, the Office for Children is the officially designated advocacy agency for children and was prior to the inception of this audit.

REGIONALIZATION

The Commissioner, in this instance, has not addressed himself to the complaint contained in the report. The positions, to which the Commissioner refers, became effective on July 1, 1973, which date is outside the time frame of this audit. Prior to that date, these positions had not been approved by the Legislature and the persons filling them were compensated out of federal funds and were non-state employee consultants.

JUVENILE OPPORTUNITIES EXTENSION CONVERENCE

The language attributed to the Committee, in this instance, was not that of the Committee but rather an evaluation made by participants in the conference. It is interesting to note that no such conference has ever again been attempted by the Department.

NORTHEAST TRAINING CENTER AND RESIDENTIAL UNIT, TOPSFIELD

The Commissioner's response is totally in error. The mandate to purchase this facility and the designation of its use immediately preceded the reorganization of the Department of Youth Services and was not repealed or amended during the reorganization process. The facility was purchased after reorganization took effect and the legislative mandate was never complied with by the Department. This failure to comply resulted in a wasted expenditure in excess of $2,000,000.00. The Commissioner's statement that "it would have been a physical impossibility to convert this facility into a maximum security unit," is totally without foundation.

CLOSING OF INSTITUTIONS

The Commissioner's contention that the language contained in this section of the report constitutes an over-dramatization of the situation fails of substance in view of the findings of the Bureau of Personnel in the Executive Office for Administration and Finance. Furthermore, any corrective measures which may have been taken, and the Commissioner's response indicates that these have not been finalized, occurred subsequent to the time frame of this audit.

FEDERAL EMERGENCY EMPLOYMENT ACT

The Commissioner disputes the figures used in the report relative to this subject. The figures used in the report were supplied by the Executive Office for Manpower Affairs for the Commonwealth of Massachusetts which was the agency designated to administer the act.

The amount of $65,304.19, which was disallowed by the federal government because of improper hiring practices utilized by the Department of Youth Services, was written off upon the Department's agreement to assume those improperly hired into state positions. Without commenting on the feasibility of this arrangement, the fact remains that the Commonwealth has inherited state employees which it did not contemplate. It must be further pointed out that this agreement occurred subsequent to the time frame of this audit.

CIVIL SERVICE

The Commissioner's answer is not responsive to the report in that the time period, to which the Commissioner refers, is outside the scope of this audit.

DYS POSITIONS

The Commissioner's response, in this instance, also refers to a time period subsequent to the completion of the audit.

PURCHASE OF SERVICES THE ANDROS PROGRAM

5. The Commissioner's response merely reiterates the language of the report.

6. The Commissioner's response fails to state that the Department auditor was unable to complete

his task because of the situation which existed record-wise.

7. The Guide, to which the Commissioner refers, was developed after the close of the audit.

LOW HILLS SCHOOL INC., RIVENDELL SCHOOL

The Commissioner contends that the Committee erred in its statement in that the Department had advised its regional directors that all DYS wards were to be removed and placed elsewhere. The Committee was unable to find any evidence to document this contention of the Commissioner.

COMMUNITY AFTERCARE PROGRAM

The Commissioner's response to the first finding of the committee, as enunciated by him, is difficult to comprehend because it was the Department of Youth Services who established the requirements referred to.

BOARD AND ALLOWANCE ACCOUNT

The Commissioner responds by admitting that unauthorized expenditures were made out of this account and that the practice has since been prohibited. He fails to state that it has been prohibited by the State Comptroller on the basis of evidence supplied to him by the Post Audit Committee.

DYS FINANCES

The report states that "at the close of Fiscal Year 1973 the Department actually would have exceeded its budget by $3,000,000.00 had it not been for a windfall funding from various sources." The Commissioner responds by stating that the Department had anticipated receipt of Title IV-A funds and LEAA funds from the federal government. He fails to state that the Department had already received its allocated share of Title IV-A funds and that it was necessary to divert an additional amount, approximately $1,800,000.00, that had been allocated to other state agencies. In addition, the Department of Public Welfare had assumed the expenses of 160 DYS wards for the months of May and June. The latter arrangement, of questionable legality, cost $200,000.

JUDICIAL QUESTIONNAIRE

The Commissioner's first response under this caption was in answer to an incorrect statement in an uncorrected proof copy of the report. This statement has since been corrected.

With respect to the Commissioner's response that the Department is at the present time establishing two additional intensive care units, it must be noted that, when the same become functional, the Department will have

70 maximum security placements available. This falls short of the amount that the great majority of the Judges deem necessary.

CONCLUSIONS

In this section of his response, the Commissioner tends both to philosophize and to indicate that some corrective changes have taken place and that many of the administrative problems outlined in the report have been remedied. It is not the Committee's intention to indulge in a philosophical discussion. We are concerned with facts.

We do not contest that the present Commissioner has instituted some remedial measures. We do point out, however, that some of these were instituted subsequent to the commencement of this audit, while most were instituted subsequent to the close of the audit.

With respect to the Commissioner's statement that "Young people are being treated with more humanity, professionalism, and genuine concern than ever before," we must reserve judgment in the absence of a specific elaboration by the Commissioner to substantiate his contention. We trust that, in the months ahead, this statement may become a reality. This same comment applies to the Commissioner's statement that the Department has over one hundred excellent programs servicing youth in this state.

EXHIBITS

EXHIBIT A

The Commonwealth of Massachusetts

SPEAKER'S ROOM
HOUSE OF REPRESENTATIVES
STATE HOUSE, BOSTON 02133

DAVID M. BARTLEY
SPEAKER

April 25, 1973

His Excellency Francis W. Sargent
GOVERNOR
Commonwealth of Massachusetts
State House
Boston, MA 02133

Your Excellency:

Across this Commonwealth half-way houses and community residences for troubled, disturbed and deliquent young people are being forced to close their doors, terminate staff and most tragically return the youngsters in their care to the Department of Youth Services and its once closed, outmoded jails and institutions. The Department of Youth Services has failed to provide funds both for signed contracts and for promises of funding. The Department has failed to establish an effective operating administrative system for alternative care for these youngsters.

The result of this administrative failure is that the progress begun in 1969 in turning around the youth correction system of this Commonwealth is ended. DYS, once a brief bright spot in government reform, has now itself become the cause for our return to an antiquated institutional reform school system.

Eighty percent of the youth in Massachusetts who are assigned to DYS still do not need closed institutional care. But all will be forced into those institutions. Good, highly regarded alternative communitive residences such as DARE, established in 1964, Downeyside Homes, Boys Club programs, and another hundred more recently established residences have not been all properly interfaced with the states regulatory-reimbursement system. Even if the $1,300,000 of LEAA funds presently available in your Committee on Law Enforcement is somehow made magically available in the next week (after several months already of trying) many of these residences will not receive funds owed or promised because DYS has not yet gotten their reimbursement rates established with the Rate Setting Commission.

The staff of these community residences across the state have continued to work, doing the tough day by day and night by night tasks of establishing and maintaining creative relationships with troubled kids in serious conflict with themselves and society. They have believed your personal promises of payment, your staff's promises, DYS promises and even my own promises as I too have sought to aid the resolution of this problem. They can work for promised salaries no more. Remember almost all receive salaries of less than one hundred dollars per week. To quit tears at their very gut-because they care for the young people. But the administrative machinery of state government has totally failed them, simply because the will of those in charge was lacking to make that machinery work.

Eight-hundred young people will be forced out of community residences in the next few weeks if you do not immediately demand that the Department of Youth Services become the advocate for these community residences in the Rate Setting Commission process.

That has been the Legislature's intention since DYS was reformed in 1969 under Chapter 838. It has remained the Legislature's intention through several stormy years.

These kids will end up at Shirley, Lyman, Lancaster and Roslindale or out in the streets. This is not the Legislature's intention.

Former Commissioner Jerome Miller's philosophy on deliquent youngsters was correct, the administrative shipwreck he has left us is a tragedy. I would formally recommend you provide Acting Commission Joseph Leavy with your top fiscal and administrative aides to formulate an immediate course of action.

I would also recommend you personally invite a task force of business and social welfare leaders to immediately assist your aides in this process. I would also add that many directors of the community residences have sound fiscal recommendations to add to this discussion.

No reorganization of state government totally or any agency thereof will work effectively or creatively unless those who serve as its administrators and leaders make the governing unit respond.

I am prepared to assist in any way I can. I do believe this is a matter which can be solved through administrative remedies.

Thank you for your immediate attention to this serious and considerable concern.

Sincerely,

David M. Bartley
SPEAKER OF THE HOUSE

DMB/cs

EXHIBIT B

THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE DEPARTMENT
STATE HOUSE, BOSTON 02133

FRANCIS W. SARGENT
GOVERNOR

April 27, 1973

The Honorable David M. Bartley
Speaker of the House
State House
Boston, Massachusetts

Dear Mr. Speaker:

I have received your letter of April 25 concerning the Commonwealth's Department of Youth Services. I share your opinion that the Commonwealth must not move backward toward institutional care for juvenile offenders. For that reason I would like to tell you of the actions that I have been taking over the past few months to assure that this does not occur.

At my direction Peter Goldmark, Secretary of Human Services, has put together the type of task force that you call for. The task force consisted of five individuals including Mr. James Hilliard, Assistant Secretary of Human Services for Fiscal Affairs, one certified public accountant, and three project analysts. Two of these project analysts devoted their entire efforts to reviewing the billing and contract letting procedures of the Department. They have completed their investigation and filed a preliminary report recommending tighter administrative actions in this area. We are now beginning to move on implementing their recommendations. The certified public accountant and the third project analyst have been devoting their entire time to reviewing all of the accounts receivable and financial records of the Department in order to determine the monthly expenditure rate and designing a financial control system for the Department. We anticipate that the system will be operative next week. I have, at the same time, had a member of my personal staff acting as full-time liaison with that team.

In your letter you refer to $1,300,000 of LEAA funds that are available but have not been distributed. The reason these funds have been held back is that the Committee on Law Enforcement, at my direction, has audited every project that receives these funds. In the course of doing these audits, some facts became apparent which required corrective action. The problems raised in these audits ranged from minor ones in some cases to much more serious ones in others. I have in fact earlier today asked that these audits be referred to the Attorney General and the State Police for their investigation. I am sure that you as a public official share my concern that the taxpayers dollars be spent properly and accordingly will support the course that the Committee is following in not releasing the funds until the deficiencies in the audits have been corrected.

It is however not my intention that a financial stranglehold be placed on this program. I previously had allocated $500,000 of Title 4A money to the Department to be used to pay group homes for their services. Last Wednesday I allocated an additional $800,000 of these same funds to the Department for the same purpose. It is anticipated that they will be able to distribute these funds in approximately ten days. At the same time the Rate Setting Commission has been meeting with representatives of the Department and different group homes in order to prepare the information necessary for the establishment of the proper rate of payment. These rates are on the agenda of the Commission for their May 2 meeting.

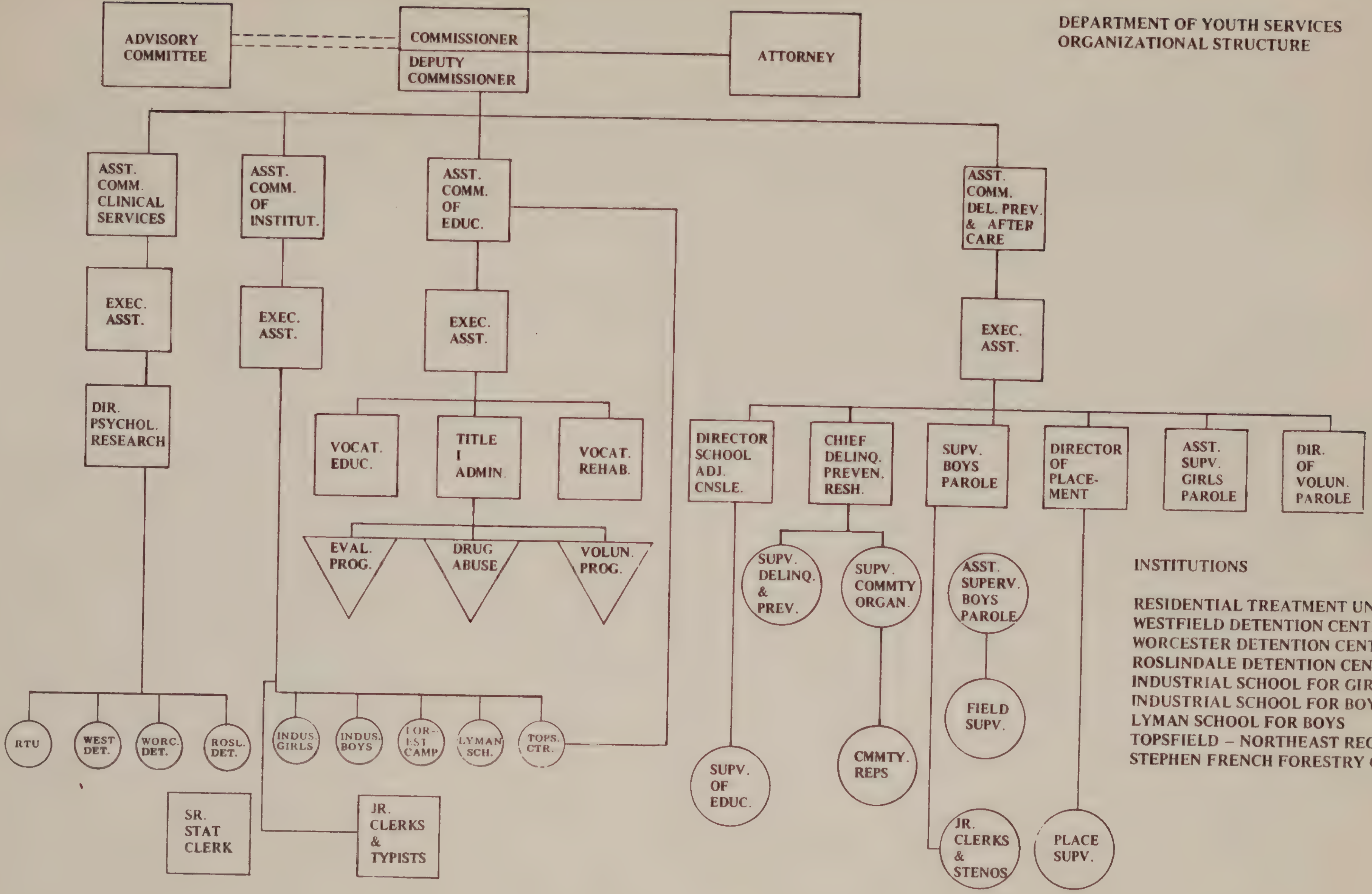
I appreciate your offer of assistance and assure you that if another similar situation arises will not hesitate to request your help.

With best wishes,

Sincerely,

EXHIBIT C

DEPARTMENT OF YOUTH SERVICES
ORGANIZATIONAL STRUCTURE


ADVISORY COMMITTEE
COMMISSIONER
DEPUTY COMMISSIONER
ATTORNEY
ASST. COMM. CLINICAL SERVICES
ASST. COMM. OF INSTITUT.
ASST. COMM. OF EDUC.
ASST. COMM. DEL. PREV. & AFTER CARE
EXEC. ASST.
EXEC. ASST.
EXEC. ASST.
EXEC. ASST.
DIR. PSYCHOL. RESEARCH
VOCAT. EDUC.
TITLE I ADMIN.
VOCAT. REHAB.
EVAL. PROG.
DRUG ABUSE
VOLUN. PROG.
DIRECTOR SCHOOL ADJ. CNSLE.
CHIEF DELINQ. PREVEN. RESH.
SUPV. BOYS PAROLE
DIRECTOR OF PLACE-MENT
ASST. SUPV. GIRLS PAROLE
DIR. OF VOLUN. PAROLE
SUPV. DELINQ. & PREV.
SUPV. COMMTY ORGAN.
ASST. SUPERV. BOYS PAROLE
FIELD SUPV.
CMMTY. REPS
SUPV. OF EDUC.
JR. CLERKS & STENOS
PLACE SUPV.
RTU
WEST DET.
WORC. DET.
ROSL. DET.
INDUS. GIRLS
INDUS. BOYS
FOR-EST CAMP
LYMAN SCH.
TOPS. CTR.
SR. STAT CLERK
JR. CLERKS & TYPISTS

INSTITUTIONS

RESIDENTIAL TREATMENT UNIT
WESTFIELD DETENTION CENTER
WORCESTER DETENTION CENTER
ROSLINDALE DETENTION CENTER
INDUSTRIAL SCHOOL FOR GIRLS
INDUSTRIAL SCHOOL FOR BOYS
LYMAN SCHOOL FOR BOYS
TOPSFIELD – NORTHEAST REG. TR.
STEPHEN FRENCH FORESTRY CAMP

EXHIBIT D

ASSIGNMENT

In consideration of the extension of credit by THIRD NATIONAL BANK OF HAMPDEN COUNTY, a national banking association with a principal place of business at 1391 Main Street, Springfield, Massachusetts, to ADVOCACY ASSOCIATES, INC., a Virginia corporation with principal offices at 11401 North Shore Drive, Reston, Virginia, and more particularly, in consideration of the granting, now or in the future, of one or more loans by said bank to Advocacy Associates, Inc., to be evidenced by one or a series of discount promissory notes bearing discount interest at the rate of 6 3/4% per annum, the undersigned, Advocacy Associates, Inc., does hereby assign and transfer to said bank as security for payment of said loan or loans all of its right, title, and interest in and to a certain grant of funds from the Commonwealth of Massachusetts, acting through its Department of Youth Services, 14 Somerset Street, Boston, Massachusetts, including, but not limited to, an initial budget approval grant from said department in the amount of $55,000 as referred to in a letter of January 12, 1972, from Jerome Miller, D. S. W., Commissioner, to Mr. Larry Dye, it being understood that all initial amounts payable to Advocacy Associates, Inc., under said grant up to the first $55,000 thereof shall be payable, when due, directly to said bank up to the limit of the obligations then owing by Advocacy Associates, Inc., to said bank with all interest thereon, whether or not said obligations are then due and owing, but not in excess of $55,000.

IN WITNESS WHEREOF, the undersigned, Advocacy Associates, Inc., has caused this instrument to be signed and its corporate seal affixed by its hereunto duly authorized officer this day of January, 1972.

SEAL

ADVOCACY ASSOCIATES, INC.

Attest
Secretary - Treasurer

By
President

ACKNOWLEDGMENT

The Commonwealth of Massachusetts, acting through its Department of Youth Services, and through its duly appointed commissioner thereof, Mr. Jerome Miller, does hereby acknowledge the above assignment from Advocacy Associates, Inc., to Third National Bank of Hampden County and agrees that it will pay the first $55,000 due and owing to Advocacy Associates, Inc., under the aforementioned grant directly to Third National Bank of Hampden County, but not in excess of the total amount of the indebtedness plus interest thereon then owing by Advocacy Associates, Inc., to said bank. The Commonwealth of Massachusetts further agrees that from time to time it will advise said bank, on request, of the status of the aforementioned grant and monies payable thereunder, and, in the event there is any undue delay or jeopardy in the payment of said funds or any failure by Advocacy Associates, Inc., to complete and file necessary forms, returns, invoices, or the like, as may be necessary to render said funds due and payable, The Commonwealth, on its own initiative, will so advise said bank in order that the latter may take steps to insure necessary compliance and protect its interest in said funds.

IN WITNESS WHEREOF, the undersigned Commonwealth of Massachusetts, acting through its Department of Youth Services, has caused this acknowledgment to be signed by its hereunto duly authorized Commissioner this   day of January, 1972.

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF YOUTH SERVICES

By
Jerome Miller, Commissioner

BY
Gardner Jackson, D.Y.S. Director of Administratio

EXHIBIT E

ANALYSIS OF EXPENDITURES BY APPROPRIATION ACCOUNT
DEPARTMENT OF YOUTH SERVICES

	EXPENDITURES FOR FISCAL YEARS*					1974
	1969	1970	1971	1972	1973	APPROPRIATIONS
ADMINISTRATION	1,837,763.93	2,123,687.72	2,727,597.97	2,696,013.19	1,747,978.48	1,584,126.00
TUITION & TRANSPORTATION-PUBLIC SCHOOLS	20,331.18	22,000.00	25,000.00	27,500.00	100,000.00	25,000.00
JUDGE JOHN J. CONNELLY YOUTH CENTER						
MAINTENANCE†	547,254.10	646,295.36	764,988.28	779,369.38	815,438.12	845,616.00
ROOF RENOVATIONS	–	–	–	–	–	75,000.00
DETENTION CENTERS						
HAMPDEN COUNTY-MAINTENANCE†	166,845.77	197,521.78	226,989.02	259,316.44	259,554.94	270,646.00
WORCESTER COUNTY-MAINTENANCE†	183,392.84	228,469.28	256,563.20	286,901.00	289,260.60	318,390.00
METROPOLITAN AREAS	–	–	–	474,442.00	507,090.07	453,259.00
STEPHEN L. FRENCH YOUTH FORESTRY CAMP						
MAINTENANCE†	125,193.28	137,991.43	171,868.53	184,543.18	199,939.53	220,930.00
RESIDENTIAL TREATMENT CENTER-OAKDALE						
MAINTENANCE†	277,336.75	315,819.21	360,622.86	357,296.11	364,333.17	90,941.00
INDUSTRIAL SCHOOL FOR BOYS						
MAINTENANCE†	1,083,009.20	1,244,021.74	1,381,467.27	1,315,185.27	129,430.83	224,290.00
FIRE TRUCK	–	–	–	–	39,960.00	
INDUSTRIAL SCHOOL FOR GIRLS						
MAINTENANCE†	714,479.19	833,651.40	960,255.22	994,370.44	119,959.09	184,946.00
ROOF RENOVATIONS	–	–	–	–	3,716.90	46,283.10
LYMAN SCHOOL FOR BOYS						
MAINTENANCE†	1,238,077.18	1,421,085.46	1,592,824.66	1,593,666.29	131,260.27	213,267.00
BASKETBALL & TENNIS COURT	–	–	4,900.00	–	–	
CHAIN LINK FENCE	–	–	2,966.00	–	–	
ROOF RENOVATIONS	–	–	–	–	4,125.00	215,875.00
RECEPTION & DETENTION FACILITIES						
FOR GIRLS, BOSTON	299,145.71	327,143.24	375,950.14	–	–	
INSTITUTE OF JUVENILE GUIDANCE						
MAINTENANCE†	488,846.25	569,901.92	582,957.03	–	–	
DELINQUENCY PREVENTION PROGRAMS	245,390.66	545,032.00	761,454.00	1,130,000.00	1,130,000.00	1,165,000.00
PAYMENT OF SUPERIOR COURT JUDGMENT	–	–	–	742.00	–	
RESIDENTIAL CARE PROGRAM	–	–	–	1,000,000.00	1,922,532.42	6,490,000.00
NORTHEAST TRAINING CENTER &						
RESIDENTIAL UNIT	–	–	–	604,174.27	534,402.81	59,878.00
PUBLIC SOCIAL SERVICES-TITLE IV-A	–	–	–	–	2,371,000.00	1,175,000.00
COMMUNITY BASED TREATMENT UNITS	–	–	–	–	3,838,375.74	4,177,530.00
FOR LEAA HARD CASH MATCH						400,000.00
	7,227,066.04	8,612,620.54	10,196,404.18	11,703,519.57	14,508,357.97	18,235,977.10

*DOES NOT INCLUDE 12/31/73 REVERSIONS

†MAINTENANCE REFERS TO THE OPERATING BUDGET OF THE FACILITY

EXHIBIT F

SUMMARY OF REPLIES TO JUDICIAL QUESTIONNAIRE

COURT LOCATION	NUMBER OF JUVENILE CASES FORMAL BASIS	NUMBER OF CASES RESULTING IN DIRECT COMMITMENTS	NUMBER OF CASES RESULTING IN DIRECT REFERRALS	REAPPEARANCES OF PREVIOUSLY REFERRED & COMMITTED YOUTHS DURING 1973	CLOSING OF INSTITUTIONS JUSTIFIED		DEPARTMENT SHOULD MAINTAIN SECURE FACILITY		PERCENTAGE OF YOUTHS WHO BELONG IN SECURE FACILITY	ATTITUDE TOWARD CONTINUATION OF COMMUNITY BASED TREATMENT		
					YES	NO	YES	NO		CONTINUE	WITH MODIFICATION	DISCONTINUE
AMESBURY	143	10	5	5		X	X		–			
ATTLEBORO	78	28	15	8		X	X		0-5		X	
BOSTON JUVENILE	2,613	174	–	–			X		0-5		X	
BRIGHTON	159	4	0	1			X		0-5		X	
BROCKTON	706	20	39	7	X		X		0-5		X	
CAMBRIDGE	433	22	28	11	X		X		0-5		X	
CHARLESTOWN	144	9	5	2		X	X		5-10		X	
CHICOPEE	425	10	0	1		X	X		15-20	X		
CLINTON	244	7	10	8	X		X		0-5		X	
DEDHAM	660	9	55	11	X		X		0-5		X	
DUDLEY	587	9	7	14		X	X		5-10		X	
EAST BOSTON	233	2	26	34		X	X		15-20			X
EAST BROOKFIELD	130	3	0	0		X	X		0-5	X		
EDGARTOWN	50	0	0	0		X	X		–		X	
FALMOUTH	608	2	20	7	X		X		5-10		X	
FITCHBURG	465	12	12	5		X	X		0-5		X	
GARDNER	285	6	2	2		X	X		0-5		X	
GLOUCESTER	490	18	3	15		X	X		0-5			X
GREAT BARRINGTON	38	1	0	0	X		X		5-10	X		
HAVERHILL	250	17	6	6		X	X		–		X	
HOLYOKE	443	63	3	25		X	X		0-5		X	
IPSWICH	17	0	0	0		X	X		0-5	X		
LAWRENCE	414	24	3	6		X	X		5-10		X	
LEE	97	1	20	0		X	X		0-5	X		
LOWELL	928	38	15	35		X	X		0-5		X	
LYNN	805	38	–	–		X	X		0-5		X	
MALDEN	1,122	21	75	15		X	X		5-10		X	
MARLBORO	249	12	24	5		X	–		–		X	
NATICK	89	4	0	1		X	X		0-5	X		
NORTH ADAMS	87	1	14	9	X		X		0-5	X		
NORTHAMPTON	252	23	5	7		X	X		0-5		X	
ORLEANS	123	2	16	9	X		X		0-5		X	
PEABODY	197	1	3	9		X	X		0-5		X	
PITTSFIELD	220	8	40	5		X	X		10-15		X	
PLYMOUTH	446	7	40	5		X	X		0-5		X	
QUINCY	1,002	10	46	29		X	X		0-5		X	
SALEM	477	13	22	11		X	X		5-10		X	
SOMERVILLE	184	33	7	23		X	X		10-15		X	
SPRINGFIELD	1,578	10	31	5		X	X		0-5		X	
STOUGHTON	551	9	10	3	X	X	X		0-5	X		
UXBRIDGE	291	2	0	0		X	X		5-10		X	
WALTHAM	244	13	17	25	X		X		0-5	X		
WARE	32	1	0	0	X			X	–	X		
WAREHAM	367	6	17	9		X	X		0-5		X	
WESTBOROUGH	533	26	6	8		X	X		5-10		X	
WESTFIELD	212	1	1	2		X	X		0-5		X	
WILLIAMSTOWN	48	12	1	6		X	X		5-10		X	
WINCHENDON	35	1	0	0		X	X		0-5		X	
WOBURN	506	16	11	1		X	X		0-5	X		
WRENTHAM	1,030	9	27	18		X	X		5-10		X	
TOTALS	21,320	768	687	408	11	38	48	1	*	11	36	2

*0-5%	30
5-10%	11
10-15%	2
15-20%	2
Unans.	5
	50

APPENDICES

APPENDIX A

The Commonwealth of Massachusetts

IN THE YEAR ONE THOUSAND NINE HUNDRED AND SEVENTY- FOUR

AN ACT ESTABLISHING A CRIMINAL PENALTY FOR VIOLATION OF FINANCE LAWS OF THE COMMONWEALTH.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Chapter 29 of the General Laws is hereby amended by adding at the end thereof the following new section: - Section 65. Any official or employee who knowingly violates, or authorizes or directs another official or employee to violate, any provision of this Chapter, or any rule or regulation promulgated thereunder, or any other provision of law relating to the incurring of liability or expenditure of public funds, shall be punished by a fine of not more than one thousand dollars or by imprisonment for not more than one year, or both.

NOTE. – Use ONE side of paper ONLY. DOUBLE SPACE. Insert additional leaves, if necessary.

APPENDIX B

The Commonwealth of Massachusetts

IN THE YEAR ONE THOUSAND NINE HUNDRED AND SEVENTY- FOUR

AN ACT PROVIDING THAT FEDERAL FUNDS RECEIVED BY THE COMMONWEALTH SHALL BE EXPENDED ONLY AFTER APPROPRIATION.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Chapter 29 of the General Laws is hereby amended by inserting after section 12 the following section: Section 12A. Funds received by the commonwealth from the federal government shall be expended only after appropriation for a particular purpose unless the law authorizing the payment of such funds to the commonwealth or any department, office, agency, board, commission or institution thereof provides otherwise.

NOTE. — Use ONE side of paper ONLY. DOUBLE SPACE. Insert additional leaves, if necessary.

APPENDIX C

The Commonwealth of Massachusetts

IN THE YEAR ONE THOUSAND NINE HUNDRED AND SEVENTY- FOUR

AN ACT RELATIVE TO RULES AND REGULATIONS TO BE PROMULGATED BY THE COMMISSIONER OF YOUTH SERVICES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 4 of Chapter 120 of the General Laws, as most recently amended by Section 31 of Chapter 838 of the Acts of 1969, is hereby further amended by striking out said section and inserting in place thereof the following: Section 4. The commissioner of the department of youth services shall establish rules, regulations, and by-laws for the government of each institution under the supervision and control of said department, and shall likewise establish rules and regulations governing the purchase of services by the department from private, non-profit agencies and the care, control and supervision of referred or committed youths placed with such agencies, and shall see that the affairs of said institutions and private agencies are conducted according to law and to such rules, regulations, and by-laws. No contract or other agreement shall be entered into by the department for such purchase of services unless said rules and regulations are expressly made a part thereof. The purpose of the said rules, regulations, and by-laws and of all education, employment, training, discipline, recreation and other activities carried on in institutions or in private agencies shall be to restore and build up the self-respect and self-reliance of the children placed therein

NOTE. – Use ONE side of paper ONLY. DOUBLE SPACE. Insert additional leaves, if necessary.

and to qualify them for good citizenship and honorable employment, while at the same time providing for the protection of the safety and well-being of the public.

APPENDIX D

The Commonwealth of Massachusetts

IN THE YEAR ONE THOUSAND NINE HUNDRED AND SEVENTY- FOUR

AN ACT REQUIRING NOTICE BY THE DEPARTMENT OF YOUTH SERVICES TO THE APPROPRIATE COURT RELATIVE TO THE DISPOSITION OF YOUTHS COMMITTED TO SAID DEPARTMENT.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 6 of Chapter 120 of the General Laws, as most recently amended by section 34 of chapter 838 of the acts of 1969, is hereby further amended by striking out said section and inserting in place thereof the following: Section 6. When a person has been committed to the department of youth services, it may after an objective consideration of all available information - (a) Permit him his liberty under supervision and upon such conditions as it believes conducive to law-abiding conduct and it is satisfied that the same is consistent with the protection of the public; or - (b) Order his confinement under such conditions as it believes best designed for the protection of the public; or - (c) Order reconfinement or reviewed release as often as conditions indicate to be desirable; - (d) Revoke or modify any order, except an order of final discharge, as often as conditions indicate to be desirable; or - (e) Discharge him from control, except as provided in section twelve, when it is satisfied that such discharge is consistent with the protection of the public. Upon any determination made in accordance with this section, the department of youth services shall notify, in writing, the

NOTE. – Use ONE side of paper ONLY. DOUBLE SPACE. Insert additional leaves, if necessary.

Court from which such youth was committed of any such determination and the reasons therefor.

APPENDIX E

The Commonwealth of Massachusetts

IN THE YEAR ONE THOUSAND NINE HUNDRED AND SEVENTY- FOUR

AN ACT RELATIVE TO INSPECTIONS BY THE DEPARTMENT OF YOUTH SERVICES OF PUBLIC AND PRIVATE FACILITIES UTILIZED FOR THE PLACEMENT OF JUVENILE OFFENDERS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 10, sub-section (d), of Chapter 120 of the General Laws, as most recently amended by section 39 of chapter 838 of the acts of 1969, is hereby further amended by striking out the first sentence and adding in place thereof the following two sentences: - The department is hereby given the right and shall be required periodically to inspect all public and all private institutions and agencies whose facilities it is using in order to assure that the health and safety of youths placed therein by the department are protected. The department shall make such inspections not less than once each year and shall keep records of the results of the same on file at its central office.

NOTE. – Use ONE side of paper ONLY. DOUBLE SPACE. Insert additional leaves, if necessary.

APPENDIX F

The Commonwealth of Massachusetts

IN THE YEAR ONE THOUSAND NINE HUNDRED AND SEVENTY- FOUR

AN ACT RELATIVE TO THE PAROLE OF JUVENILE OFFENDERS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows.

SECTION 1. Section 12 of Chapter 120 of the General Laws, as most recently amended by section 41 of chapter 838 of the acts of 1969, is hereby further amended by striking out the first sentence and inserting in place thereof the following two sentences: The department may direct release under supervision, at any time, upon the recommendation in writing of the parole unit, and may place children in its custody in their usual homes or in any situation or family that has been approved by the department, provided that such recommendation and approval shall be kept on file in the central office of the department. Notification, in writing, of such release shall be immediately forwarded to the appropriate Court.

NOTE. – Use ONE side of paper ONLY. DOUBLE SPACE. Insert additional leaves, if necessary.

APPENDIX G

The Commonwealth of Massachusetts

IN THE YEAR ONE THOUSAND NINE HUNDRED AND SEVENTY-FOUR

AN ACT RELATIVE TO NOTIFICATION UPON ESCAPE OF JUVENILE OFFENDERS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 13 of Chapter 120 of the General Laws, as most recently amended by section 42 of chapter 838 of the acts of 1969, is hereby further amended by striking out said section and inserting in place thereof the following: Section 13. A boy or girl referred or committed to the department and placed by it in any institution or facility , or with a private agency under a purchase of service agreement, who has escaped or run away therefrom, or who has been released on parole and broken the conditions thereof, may be arrested without a warrant by a sheriff, deputy sheriff, constable, police officer, or person employed and authorized by the department, and may be kept in custody in a suitable place and there detained until such boy or girl may be returned to the custody of the department. It shall be the responsibility of the said private agency to immediately notify the department of such escape or runaway and it shall be the responsibility of the department, in the case of a committed youth, to immediately notify the proper law enforcement agencies and, in the case of a referred youth, to so notify the Court from which the referral was made.

NOTE. – Use ONE side of paper ONLY. DOUBLE SPACE. Insert additional leaves, if necessary.

APPENDIX H

The Commonwealth of Massachusetts

IN THE YEAR ONE THOUSAND NINE HUNDRED AND SEVENTY-FOUR

AN ACT RELATIVE TO THE ANNUAL REPORT OF THE DEPARTMENT OF YOUTH SERVICES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 22 of Chapter 120 of the General Laws, as most recently amended by section 52 of chapter 838 of the acts of 1969, is hereby further amended by striking out said section and inserting in place thereof the following: Section 22. The department shall conduct continuing inquiry into the effectiveness of the treatment methods it employs in seeking the reformation of jevenile and youthful offenders. To this end the department shall obtain from the commissioner of probation all court record information on its wards compiled subsequent to their discharge from the jurisdiction of the department, and with the cooperation of the commissioner of probation tabulate and analyze these data so that they may be used to evaluate the relative merits of methods of treatment. The results of such studies shall be made available to the public in each annual report of the department. The commissioner shall annually prepare and submit to the governor and the general court, on or before the first day of November, a report which shall contain the description of organization of the department and a concise review of the work of the department and of the institutions under the supervision of the department for the preceding fiscal year as well as that of private agencies from whom the department has purchased

NOTE. – Use ONE side of paper ONLY. DOUBLE SPACE. Insert additional leaves, if necessary.

services. The said report shall contain, in addition to other matters required by law, a statement of the number of persons committed to the department during the preceding fiscal year and of the disposition made of such persons and of all other persons under its supervision during said year as well as such suggestions and recommendations as to the department, the said institutions and private agencies and as to the general interests of all persons under its supervision and those placed by it with private agencies as he considers expedient, together with information embodying the experience of this and other jurisdictions relative to the best and most successful methods of caring for or providing services to such persons as come under its responsibility. The report shall include such inventories as the institutions under the departments' supervision are required by law to make, a statement of the condition and needs of the facilities under its supervision as well as the condition of the facilities of private agencies with whom it has placed children, and of the progress made towards an integrated rehabilitory system capable of giving the most effective individual treatment for rehabilitation. The report shall include such recommendations for legislation as the department may wish to make.